THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

June 28, 1941

Nazi Germany Makes War on U.S.S.R.

An Editorial

Japan and the New War

Freezing of Axis Credits

BY JOHN AHLERS

Sassoon's Idea of Union

Courageous Chinese Villagers Cause Japanese Defeat in Chekiang

VOLUME 97 PRICE 80 CENTS (in China) NUMBER 4

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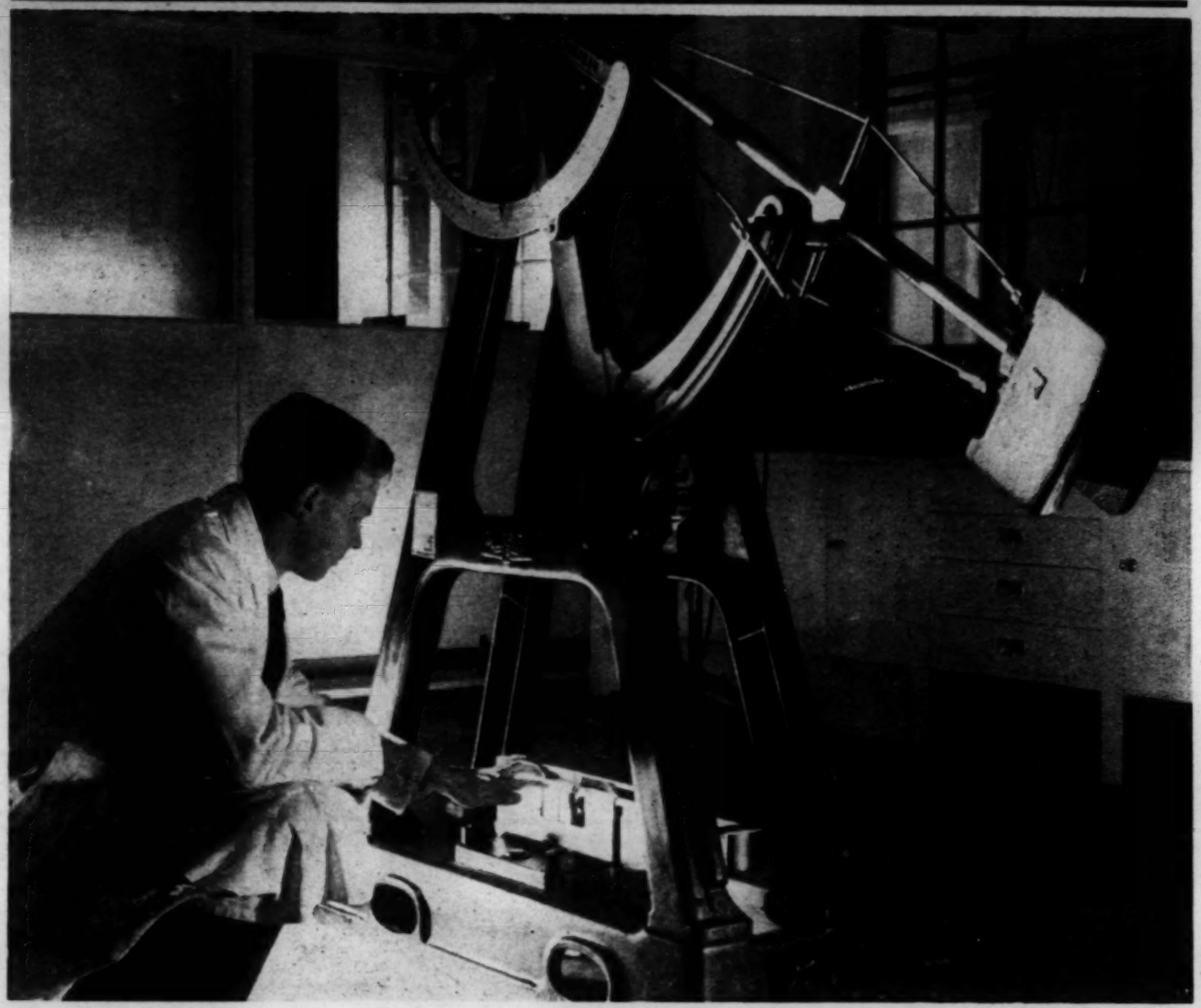

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What People Are Saying

Comments from readers on current topics are cordially invited; their opinions, however, do not necessarily represent the views of *The China Weekly Review*.

RUIN AND MISERY

To the Editor:

Without doubt the first and principal cause of the economic ruin into which China has been plunged, and the terrible suffering which this ruin has brought on the common people, is the Japanese invasion. Having forced their way into the country and occupied a large part of it, the Japanese have been systematically robbing the territory ever since.

For the ruin and misery which now stalks the face of "Free China" the Japanese are also principally responsible. One cannot help admitting, however, that the policies of the government at Chungking—perhaps it is lack of policy—are contributing to the miseries of the people in the vast areas where the Japanese invaders have not been able to enter.

The monied classes in England are having a full half, and sometimes more, of their incomes sequestered by high income taxes in order to help pay for the war. In this way, the government has been able to keep the pound sterling fairly stable and there has been no skyrocketing of prices.

In China just the contrary. Wealthy Chinese, without any government interference, have been able to export their fortunes and their incomes abroad. Lacking funds, the government has resorted to inflation which has cut the Chinese dollar to a small fraction of its pre-war value, and prices have gone sky-high. There is no such thing as a fair income tax, but new taxes which bear down on the poorer folk are constantly being devised.

Meanwhile, profiteers and speculators are permitted to reap huge profits from gambling in the people's food. A picul of rice in Shanghai costs $140, or ten times more than in 1937. In Chungking the same quantity is now priced at $480! The government can do little about the Shanghai situation, for it no longer has authority here. But there is clearly something wrong when in the wartime capital itself the people are made victims of conscienceless war profiteers. The government certainly has the power to control prices. Apparently it does not wish to do so. What is the use of all the official talk about everyone bearing the burdens of the war equally, when a situation is allowed to exist in which the rich get ever richer and the poor poorer?

In Shanghai, the foreign municipal authorities should take powers unto themselves to rigidly control prices and curb profiteers. The S.M.C. has done something along this line by importing rice and selling it to poor people at cheaper rates than market prices. But this is not enough. The hardships of the poor are increasing from day to day and there is no relief in sight. The authorities may claim that they have no power to control prices, but it is better for them to act beyond their powers in this matter rather than have to shoot down hungry people clamoring for food—a situation that will surely arise unless something is done very soon.

It is not contended that either Chungking or the foreign authorities in Shanghai can eliminate the evils wrought by the Japanese invasion, but they certainly can mitigate them considerably if only they have the will to do so.

ACTION NEEDED

Shanghai, June 25, 1941

OIL AND JAPAN

To the Editor:

It seems to me that readers of **The China Weekly Review** would be interested in figures and an appeal recently published in the correspondence columns of **The New York Times**, concerning sales of American gasoline to Japan. The letter was signed by a Chinese named Lin Lin who expressed his thanks to **The Times** for an editorial it had published concerning American relief in China. The letter then continued:

"But there is a puzzle which remains to be solved. This is not a Chinese puzzle, but an American puzzle. Why do American people still give generously for China relief and at the same time, and in spite of the license system, permit Japanese aggressors to obtain the deadly commodities, gasoline and oil, to make still more Chinese war victims?

"Here is a startling fact: In the years 1937 to 1940 the United States had sent no less than $200,000,000 worth of gasoline and oil to Japan, including Korea, Taiwan and Kwantung. Without this power-producing American gasoline and oil the Japanese brutal forces could not have invaded China and slaughtered the Chinese as they have done.

"Here is another startling fact: "Regardless of license control, the export of American gasoline and oil to Japan in 1940 showed an increase, instead of a decrease, of $10,000,000, or 18.8 per cent, over 1939. This trend of increase has extended into 1941. In February, 1941, the sale of American gasoline and oil to Japan was valued at $4,522,000—the latest figures available—which compared with $2,540,000 for the same month a year ago, revealed an increase of $2,072,000, or 84.1 per cent, over the 1940 ratio.

"It goes without saying that American gasoline and oil have been used

THE CHINA WEEKLY REVIEW

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to run the Japanese warships to China, to drive the Japanese tanks in China and to fly the Japanese bombers over China. It is obvious that the more American gasoline, even of low-octane quality, and oil are shipped to Japan, the more Chinese war victims there will be.

"Fortunately, this is not an insoluble Chinese puzzle. It is an American puzzle that can be solved easily by Americans. There is not the slightest doubt that through generous gifts Americans can express their sympathy for Chinese war victims. But that is not enough. What is urgently needed now is to stop pouring more gasoline and oil over the battered heads and bodies of Chinese war victims."

I notice that President Roosevelt has finally acted and placed all gasoline and oil products on the license list, but this will not mean actual embargo unless public opinion forces the Government to act. I therefore hope that readers of **The Review** will follow the precedent of Mr. Lin Lin and express their views to the American Government.

PUZZLED

Shanghai, June 22, 1941

WHAT ABOUT JAPAN?

To the Editor:

On the heels of the decree of freezing German credits is the decision by America to order the closure of German Consulates and propaganda agencies in United States. Although the German embassy is not involved in the expulsion order, it is generally predicted that diplomatic relations between the two countries are on the point of break off.

There is elation by the democracies over America's move, which not only indicates America's determination to aid the victims of aggression but also to form an inflexible link between the A.B.C. powers.

China regrets the omission of freezing Japanese assets by America and hopes that such action will be taken against Japan in the near future.

A. WANG

Shanghai, June 18, 1941

QUESTION?

To the Editor:

Will you kindly inform me why Germany doesn't recognize the Nanking regime, particularly when Japan hastened to recognize the German-Italian puppet state of Croatia, which was created by the dismemberment of Yugoslavia?

H. C. CHEN

Nanchao, June 16, 1941.

Editor's Note: The probable answer to our correspondent's question is that Hitler is reluctant to antagonize the Chinese government and people at this time in exchange for the very doubtful advantage of having the pitiful Nanking regime enter the Axis camp.

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June 25, 1941

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Lockheed Aircraft	25¼
Mont. Ward	35
N. Y. Central	12½
Texas Corp	39¼
U. S. Steel	56¾

COMMODITIES

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New York Rubber, July	21.00/00
New York Hides, Sept.	14.45/46
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New York Sugar, No. 4, July	1.02½B/03½A

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Demand Buying rate on N.Y. ... ... U.S.$1.	=Sh.$18.18	=Sh.$18.18	=Sh.$18.18	=Sh.$18.18	=Sh.$18.18	=Sh.$18.18
Demand Selling rate on London ... £1-0-0	=Sh.$72.45	=Sh.$73.14	=Sh.$73.14	=Sh.$73.14	=Sh.$73.14	=Sh.$73.14
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Shanghai $100. equals Pesos	10⅜	10⅜	10⅜	10⅜	10⅜	10⅜
Shanghai $100. equals Hongkong $	22	22	21¾	22	22	22

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NAZI GERMANY EMBARKS ON WAR AGAINST SOVIET RUSSIA

THAT which Hitler planned and Stalin feared for many years has come to pass—a German attack on Soviet Russia. Before dawn on Sunday, June 22 Hitler, without prior warning, hurled a mighty army of 150 divisions, totalling 3,000,000 men against the Soviet frontiers from the Baltic to the Black Sea. Red Army units said to total 120 divisions, or about 2,500,000 men, are fighting on defense lines strung north to south through eastern Europe for a distance of some 1,500 miles.

The outbreak of war between Nazi Germany and Soviet Russia has radically transformed the entire world war situation. Its eventual outcome can be only a matter of conjecture at the present time. Germany and Russia both proclaim confidence in the outcome of the titanic struggle.

Dismembered Finland, which was fighting against Soviet aggression a little more than a year ago, is lined up with Germany in the hope at least of regaining territory wrested from her by Stalin's Red Army. Rumania, which lost Bessarabia and northern Bukovina to the Soviets, is also the ally of Germany. Nazi troops are in both these countries, fighting together with the native soldiers. Bulgaria and Hungary, both dominated by Nazi Germany, are expected to join in the fray against the Soviets. And, judging by the reactions of the Stockholm press to the outbreak of hostilities, it would not be surprising if Sweden actively joined forces with Hitler. Italy lost no time in declaring war on the Soviets as soon as German troops began plunging over the Soviet frontiers. Turkey, which recently signed a pact of friendship with Germany, but also has a pact of friendship with Soviet Russia, has proclaimed her neutrality.

In what appears to have been a declaration prepared beforehand in full knowledge of the imminence of a German-Soviet conflict, Britain's prime minister, Mr. Winston Churchill, has pledged the fullest possible British aid to the Soviets, and this attitude appears to have the approval of Washington. In the Chinese capital at Chungking, sympathy has been expressed with Soviet Russia. Japan, apparently bewildered by the sudden turn of events, has not, as these lines are being written, intimated her attitude. Will she honor her alliance with the Axis and come to Hitler's aid against Russia by attacking Siberia and Outer Mongolia, or will she prefer to honor her non-aggression pact with Moscow, stay neutral, and continue concentrating on the southward expansion program and efforts to liquidate the "China Incident"? This very interesting and important aspect of the new war situation is treated elsewhere in this issue.

Characteristically, Hitler proclaimed war on Soviet Russia after his troops, including numerous Panzer divisions and mechanized units, had lunged at the Soviet borders. The invasion had been under way a full four and a half hours when Propaganda Minister Joseph Goebbels read Hitler's war proclamation over the Berlin radio. Lengthy and bitter in tone, it declared that Soviet Russia had violated her pact of friendship with Germany and that she had, for more than a year, been pursuing an anti-German policy in league with "war-mongering Britain."

Eyes Eastward

Chancellor Adolf Hitler

Double-Crossers Double-Crossed

Premier-Dictator Stalin (left) and his present foreign minister, V. M. Molotov.

Specifically, Hitler charged that Russia's invasion of Finland, the Soviet annexation of the Baltic states (Lithuania, Latvia and Esthonia) and of Bessarabia and northern Bukovina, had been directed against Germany and consequently against Europe as a whole. Not satisfied with these territorial gains, Soviet Foreign Commissar Molotov, during his visit to Berlin, had sought German acquiescence in fresh Soviet attacks on Finland and on Rumania, in the establishment of a virtual Soviet protectorate over Bulgaria, and in Soviet occupation of important bases in the Dardanelles and the Bosphorus.

Hitler declared that he could not agree to these demands and his refusals were followed by concentrations of Soviet troops along Germany's borders and Soviet conspiracy with Great Britain, through the British Ambassador to Moscow, Sir Stafford Cripps. He also charged

that Russia, in league with Britian, had plotted the "Iron Guard" putsch in Rumania, and the uprising in Jugoslavia which overthrew the pro-Nazi government in that country just prior to the German occupation. These plottings, he averred, were accompanied by frequent Soviet violations of Germany's frontiers.

The Fuehrer said that he had signed the pact with Stalin in 1939 with a heavy heart. "It was a bitter and difficult step for me to take. . . It was only with extreme difficulty that I brought myself in August, 1939 to send my foreign minister to Moscow in an endeavor there to oppose the British encirclement policy against Germany."

The reasons which motivated the Fuherer in his decision to conclude the pact with Stalin are revealingly stated in a note sent by the German Foreign office to the Soviet Government announcing the Nazi-Soviet break. We quote from a *Transoocean* (Nazi) version dated from Berlin, June 22: "The note explains how the Reich government, setting aside its grave apprehensions arising from the fundamental difference in the political goals of the two countries and from the diametrically opposed ideologies of National Socialism and Bolshevism, had determined to find a balance of interests. It was guided by the idea, the note declares, that elimination of the possibility of war, which would result from an understanding between Germany and Russia, and the safeguarding of the vital necessities of the two peoples between whom friendly relations had always existed, would offer the best guarantee against further spreading of communist doctrines of international Jewry over Europe. This belief was strengthened by the fact that certain happenings in Russia itself and certain measures of international scope undertaken by the Russian government allowed it to be assumed that a departure from these doctrines and from the former methods of causing disintegration among foreign nations appeared possible. The reception accorded in Moscow to the German demarche and the readiness of the Soviet government to conclude a pact of friendship with Germany appeared to confirm this change of attitude."

This cartoon by Low, published in September, 1939, depicted an imaginary meeting between the Dictators over the dead body of Poland, which Hitler and Stalin dismembered and divided between them.

In other words, Hitler thought, or now pretends to have thought, that Soviet Russia had become a respectable totalitarian state like Nazi Germany. The "certain happenings in Russia itself" can only refer to Stalin's repeated blood purges in which the last leading representatives of revolutionary Bolshevism were "liquidated" on one pretext or another, to the institution of a state of affairs in which Soviet Russia became the most perilous country on earth for preachers of world revolution.

But, the Fuehrer sadly relates—here we resume our narrative summary of his proclamation of war on Soviet Russia—all this proved to be a snare and a delusion. Not only did the wicked Stalin continue to harbor Bolshevik designs against Germany and all other countries, but he did quite a bit of land-grabbing of his own, menaced the German frontiers with troop concentrations, and plotted against Germany with Hitler's arch-enemy—Great Britain.

And so, declared the Fuehrer: "This has brought us to an hour when it has become necessary for us to take steps against this plot devised by Jewish-Anglo-Saxon warmongers and to an equal extent by Jewish rulers of the Bolshevik center in Moscow. German people! At this very hour movements of our troops are taking place, the magnitude of which is the greatest the world has ever witnessed. United with their Finnish comrades, the German warriors who brought about the victory at Narvik are manning the shores of the Arctic Ocean. German divisions commanded by the conqueror of Norway, together with the champions of Finnish liberty under the command of their Marshal, are protecting Finnish territory. From East Prussia down to the Carpathians the front of the German formations in the east extends. Along the banks of the Pruth, along the lower reaches of the Danube, down to the shores of the Black Sea, German and Rumanian soldiers are united under the Rumanian chief of state, General Ian Antonescu. The task of this front no longer consists in the protection of individual countries, but aims at safeguarding Europe and means the rescue of us all. I have therefore decided today to entrust the fate and future of the German Reich and the German nation to the hands of our soldiers. May God our Lord aid us in this of all struggles!"

Hitler made the illuminating admission that in concentrating his forces in the east against Soviet Russia, he had been obliged to abandon all hope of a definitive victory against Britain in the west. Said he, according to *Transocean*: "Thus there occurred an effect, intended by British and Soviet cooperation, namely, the binding of such powerful German forces in the east that a radical conclusion of the war in the west, particularly as regards aircraft, could no longer be vouched for by the German High Command."

This does not exhaust the list of Hitler's complaints against Soviet Russia. The aforesaid German note to Moscow charges that Soviet agents carried on espionage and sabotage in Germany, dynamiting of German ships, and distributed subversive propaganda against Germany in Rumania, Jugoslavia, Hungary and Slovakia. Foreign news agencies reporting Hitler's proclamation said it contained the additional complaint that Soviet Russia had not lived up to her commercial agreements with Germany, and this was interpreted to mean that deliveries of Soviet oil and foodstuffs to Germany had fallen far short of what had been promised—at any rate far short of Germany's requirements. A perusal of the *Transocean* version of the proclamation, and of the German note to Moscow, however, discloses no such complaint.

What has Moscow had to say about the German charges of bad faith and perfidy levelled by Hitler? A statement by Dictator Stalin, broadcast over the Moscow radio after the German invasion had started, charged that Germany, without a declaration of war and without submitting any claims, had attacked Soviet Russia, the attack taking place despite the fact that during the entire period of operation of the Nazi-Soviet Pact "the German government could not find grounds for a single complaint against the U.S.S.R. as regards the observance of this treaty." The attack was termed an act of "perfidy unparalleled in the history of civilized nations" and the entire responsibility therefore "falls fully and completely upon the German fascist rulers."

Charges of perfidy, of course, come rather inappropriately from the lips of Stalin when one recalls how he double-crossed Britain and France in 1939, attacked Finland, swallowed the Balitic states and dismembered Rumania—not to mention his earlier bloody liquidation of his own Red Army generals and countless thousands of other Soviet citizens on phony charges of conspiring with Nazi Germany. His most recent act of perfidy was to give formal recognition to the Japanese conquest of Manchuria, thereby delivering a stab in the back to China.

But why hasn't Stalin answered Hitler's charges that he demanded German acquiescence in further Soviet attacks on Finland and Rumania, the establishment of a Soviet protectorate over Bulgaria, and Soviet seizure of strategic bases in the Dardanelles and the Bosphorus? The answer probably is that they are true and that a Soviet denial would be useless because records of Molotov's talks with Hitler and Ribbentrop in Berlin are doubtless on file in the German Foreign Office.

Where honor is concerned, there is nothing to choose between the Dictator of Berlin and the Dictator of Moscow. Each sought to make use of the other by employing every kind of chicanery. Hitler wanted to keep his eastern front peaceful while he dealt with the democracies in the west. Stalin wanted to escape war. This was the basis for the uneasy political embrace in which they found themselves from August of 1939 until last Sunday. During that period, Stalin sought to improve his strategic dispositions by acquiring new territories—all with an eye to an eventual conflict with Germany which he felt to be inevitable. Hitler was terribly irked, first by Stalin's land grabs, then by his demands for still more territory, finally by Germany's failure to get ample Soviet supplies. Irked as he was, he was compelled to remain silent for a long time as he himself admits—until he felt the time ripe for a break. The time arrived after the completion of the campaign on Crete, for then, apart from British bombing raids on Germany and German-occupied territories, Hitler felt free to throw the weight of his immense armies against Russia.

That Britain had long banked on a German-Soviet break, and that Sir Stafford Cripps, the British Ambassador in Moscow, was quietly offering assurances of British support to Russia, is more than probable. British diplomacy would certainly have been asleep on its feet if it had not taken into account, and prepared actively to exploit, the growing Soviet-German friction. The speed with which Mr. Churchill announced British support of Russia suggests only too clearly that everything had been mapped out beforehand.

The British Prime Minister said: "We have but one aim and one irrevocable purpose. We are resolved to destroy Hitler and every vestige of the Nazi regime. We shall give whatever help we can to Russia and to the Russian people. We shall appeal to all our friends and allies in every part of the world to take the same course and to pursue it steadfastly to the end. It is not for me to speak for the actions of the United States, but if Hitler imagines that his attack on Russia will cause the slightest division of aims or a slackening of effort in the great Democracies who are resolved upon his doom, he is woefully mistaken. We shall bomb Germany by day as well as by night in ever-increasing measure, making the German people gulp each month a sharper dose of the miseries they have showered upon mankind."

Mr. Churchill went on to declare that Hitler's invasion of Russia "is no more than the prelude to an attempted invasion of the British Isles... He wishes to destroy the Russian power because he hopes, if he succeeds in this, to be able to bring back the main strength of his army and air force from the east and hurl it upon this island, which he knows he must conquer or suffer the penalty of his crimes."

Referring to Hitler as "a monster of wickedness, insatiable in his lust for blood and plunder," the British Prime Minister said: "Now this bloodthirsty guttersnipe must launch his mechanized army upon new fields of slaughter, pillage and devastation. The poor Russian peasants, workmen and soldiers—he must steal from them their daily bread. He must devour their harvest, and he must rob them of the oil which drives their plows and thus produce a famine without example in human history."

Mr. Churchill's solicitude for the "poor" Russians sounds a little ironical when one remembers that he was a prominent member of a coterie of British Tories who were responsible for British and Allied intervention in Russia after the Bolshevik revolution of 1917.

WHAT HITLER SAID

IN HISOOK, "MEIN KAMPF"

"The present rulers of Russia do not at all think of entering an alliance sincerely or of keeping one.

"We must never forget that the regents of present-day Russia are common bloodstained criminals; that here is the scum of humanity, which, favored by conditions in a tragic hour, overran a great state, butchered and rooted out millions of its leading intellects with savage bloodthirstiness, and for nearly ten years has exercised the most frightful tyranny of all time. Nor must we forget that these rulers belong to a nation which combines a rare mixture of bestial horror with an inconceivable gift of lying....one does not conclude a treaty with someone else whose sole interest is the destruction of his partner. Above all one does not make them with parties to whom no treaty would be sacred, since they inhabit this world, not as the advocates of honor and truthfulness, but as the advocates of lying, deceit, theft, rapine, and plundering....The struggle against Jewish bolshevization of the world requires a clear attitude towards Soviet Russia. You cannot drive out the Devil with Beelzebub."

The above was written in 1927, six years before Hitler came to power.

In August, 1939, when ready to launch his attack on Poland, and finding it necessary to secure his eastern flank in case Britain and France came to Poland's support (which he didn't think they would do) Hitler made a pact with the untrustworthy "scum of humanity" in Moscow.

Then came September 19, 1939. Before cheering crowds of Nazis in Danzig, after the city had been taken by German troops, and while arranging the partition of Poland with Stalin, Hitler vowed eternal peace between Germany and Russia. Said he: "We found that both the German and Soviet peoples best existed together when they lived in understanding and peace. I am happy to offer the British statesmen, who said the Germans wanted to dominate the Urals, the opportunity to see the light and see the boundaries of German demands....They should be relieved to hear we do not want the Urals or the Ukraine."

On October 6, 1939, in the Reichstag speech in which he made a bid for peace after having conquered Poland, Hitler made numerous references to German-Soviet relations and proclaimed "my resolve that Germany and Russia shall never again make war on each other." The German-Soviet pact, he declared, "proves that, for the East, Germany knows how to limit her demands. Both Germany and Russia have shown how such cooperation is possible."

On June 22, 1941 Hitler made war on Soviet Russia without warning.

The intervention deepened Russia's economic ruin and helped bring on a famine "without example in history"—the great Russian hunger of 1921 in which tens of millions of people perished.

But Britain is at war with Nazi Germany; so now is Soviet Russia. Britain, willy nilly, has a new ally. Mr. Churchill, at least for the time being, can push his animosity against Bolshevism into the background. And Dictator Stalin, we can assume, will not be loth to accept British aid even though it is proffered by the hand of Mr. Churchill.

The new situation, of course, creates new ideological complexities. Will Soviet Russia, like dictator-ridden Greece before her, now be classified as a "democracy" because she is at war with Nazi Germany? And if it is desirable to rid the world of Nazi totalitarianism—which no one in his right senses doubts for one moment—what about the Stailn brand of dictatorship, with its suppression of all popular freedom, its concentration camps and firing squads? When Hitler is crushed, will another war be necessary to crush Stalinism?

This question may never acquire an *actuel* significance as far as this war is concerned, for it is not unlikely that the people of Soviet Russia, while fighting most energetically against the Nazi invaders, will in passing decide to liquidate the despotic regime of Stalin. In war they will have the same opportunity to square accounts with the Moscow despot that an earlier generation of Russians had to settle scores with the Tzar. A revolution against the Stalin regime would not necessarily damage the Soviet defense or help Hitler. Revolutionary ideas are infectious. It was the Bolshevik revolution in Russia which as much as anything else caused the collapse of the Kaiser's armies in the last war. The Russian people may cause Hitler's downfall and achieve their own liberation as well.

How They Trusted Each Other!

This syndicated cartoon appeared in the United States in August, 1939 when the Stalin-Hitler pact was concluded. The outbreak of war between Germany and Russia shows how accurately the cartoonist assessed the Soviet-Nazi relationship.

FAR EASTERN REPERCUSSIONS OF THE GERMAN-SOVIET WAR

MAJOR repercussions in the Far East of the new war between Nazi Germany and Soviet Russia have yet to be felt. Until the middle of this week Japan's position remained a mystery. There is reason to believe that the suddenness with which Hitler hurled his armies at the Soviet frontiers last Sunday caught the Tokyo policy-makers off guard and that they are only now beginning to recover their equilibrium.

The people of Japan were "thunderstruck" by the news that a German-Soviet conflict had broken out, because, as *Domei* innocently admitted, they had been kept in complete ignorance of the events which led up to the dramatic denouement . . . a tribute, indeed, to the effectiveness of the Japanese press censorship.

Reporters rushed to the German and Soviet embassies, but could get no official statements in those quarters. Foreign Minister Yosuke Matsuoka rushed off to see the Emperor and report the outbreak of the new war. On Monday and again on Tuesday the government conferred with the High Command of the fighting services, but no statement of policy was forthcoming. Stock quotations on the Tokyo Exchange tumbled almost three yen due to the uncertainty of Japan's position in the radically transformed international situation.

Japan's position is a decidedly awkward one. By the terms of her alliance with the Axis powers, she is pledged to aid Germany by military and other means if Germany should be attacked by a power not at war with Germany when the alliance was made. Much depends upon the meaning given to the word "attacked." Will Japan elect to take view that, in this instance, Germany is the attacker and thus excuse herself from giving aid to Hitler?

In addition to her treaty obligations to Germany, Japan is also bound by a treaty of neutrality and non-aggression to Soviet Russia, only recently concluded. These obligations are contradictory. Japan cannot honor both. She will have to choose. A choice may be forced by Hitler, who may insist that Germany has been "attacked" by Russia and demand Japan's assistance. Whatever Japan's choice may be, it seems certain that the world will receive another demonstration of the value of treaties entered into by and between the aggressive, dictatorial powers.

Japan might, of course, seek to clear herself of any charge of bad faith by contending that she never anticipated the present turn of events, and that had she forseen a Nazi-Soviet war she would never have contracted with Soviet Russia to stay neutral. It seems incredible, however, that Japan could have been in complete ignorance of what was blowing up in eastern Europe. Tokyo, one is entitled to assume, must have been made privy—by Berlin or Moscow, or both—to the growing strain in German-Soviet relations, for Hitler's serious complaints against Russia go back almost to the time of the signing of the Hitler-Stalin pact in 1939.

Nevertheless, Japan made a pact with Soviet Russia, apparently in the full knowledge that it might land her in a very awkward situation later on. And this pact, if Hitler is to be believed, was made at his express urging. When Matsuoka visited Berlin, Hitler impressed upon him the desirability of a Japanese-Soviet accord, it was revealed in the Nazi proclamation of war against Russia.

Hitler, of course, may have hoped for a peaceful solution of his difficulties with Russia. And he certainly wanted Japanese-Soviet amity so that Japan might acquire her full value as an Axis partner in the Pacific

in the event of America's entry into the war on the side of Britain.

It would be idle to speculate on the course which Japan will ultimately take. Only one thing is certain, and that is that Japan cannot long postpone making a decision. We suggested last week that, considering the infinite peril to Japan of a war with the United States, a war which inevitably will ensue if Japan persists in her southward expansion policy, the Tokyo warlords may choose to abandon that policy for the time being and concentrate on what might appear to be easier pickings in Soviet Siberia.

But here there arises another difficulty. The United States will certainly not regard with a benevolent eye any Japanese attack on Siberia. For one thing, eastern

Married in 1939, Divorced in 1941

This cartoon was published in the London Sunday Chronicle at the time of the signature of the Soviet-German non-aggression pact in August, 1939.

Siberia is too near to Alaska and the United States wouldn't want Japan as such a close neighbor. Secondly, if Japan should succeed in wresting eastern Siberia from Soviet control, she would have acquired such a powerful position on the mainland of Asia that she would be an even greater menace to the United States than she is today.

Japan is clearly in a quandary. This was evidenced in a rather pathetic *Domei* dispatch from Tokyo on June 23, the day after German-Soviet hostilities had broken out. Political observers in the Japanese capital were quoted as saying that Japan's attitude to the conflict, when formulated, "would demonstrate Japan's sincere attitude—maintenance of peace in the Far East." They expected the announcement of Japan's stand to reaffirm the country's determination to establish a new order in East Asia, to achieve a quick settlement of the China Incident, and to proclaim every possible means of defense of East Asia should war spread to this part of the world.

This vague and wordy expression of policy deliberately skirts the choice which Japan is called upon to make. But the choice cannot be avoided indefinitely unless, of course, Hitler for some reason fails to insist on the active war collaboration of his Axis partner in the Pacific. That no such demand has been made thus far was indicated in a *Domei* report from Tokyo on June 24, which stated that a Cabinet announcement regarding Japan's policy had been indefinitely postponed.

The uncontrolled Japanese military machine is an added source of worry to the Tokyo politicians. Japan's policy has alternated between what the army wants and what the navy wants. The navy is bent on the southward expansion policy, while the army always desired the glories of empire to be had in China and Siberian Russia. It should not be forgotten that the Kwantung Army started the invasion of Manchuria in 1931 without Tokyo's knowledge. The Kwantung Army generals have been itching ever since to assail Soviet Siberia and Outer Mongolia. They would have developed the Nomonhan clashes into a full-dress war with Russia in 1939 had they deemed the moment propitious. There is no assurance that they will not take the initiative again.

Japanese Bombers Responsible For "Black Hole" of Chungking

One hundred and eighty-five years ago a native prince captured Calcutta and confined 146 foreigners, most of them Britons who had remained in the city, in a small room measuring only 18 ft. by 15 ft. There were only two small windows to the room and the heat was intense. In the morning only 23 were taken out alive, the others numbering 123 had suffocated under indescribable conditions. The place where this occurred became known as the "Black Hole" and today is marked with a black marble slab and a monument erected by Lord Curzon in 1902.

The "Black Hole" of Calcutta, symbolizing terrible suffering and death, was dwarfed almost into insignificance —at least from the standpoint of numbers involved—by an incident at Chungking early in the present month when Japanese bombs were responsible for the suffocation in a dugout of several hundred, or possibly thousands of persons, under conditions immeasurably more horrible than the incident in India. The tragedy caused Chungking's pride in its system of dugouts—regarded as the best in the world—to change to sorrow and indignation—indignation not only at the Japanese but at their own local officials who were held partially responsible for the tragedy.

Information regarding Chungking's "Black Hole" has gradually reached Shanghai by personal reports of travelers, indicating that the number of deaths by suffocation, originally reported at 461, far exceeded that number, which reached 1,200 to 1,500 for killed and wounded (*Reuter*). A Japanese report, circulated in gloating manner from Hongkong, alleged that the number exceeded 9,000.

Piecing all the reports together it appears that the tunnel, built to accommodate 10,000 people, was overcrowded as possibly double that number jammed into the underground chamber when the original alarm was received. Under the regulations the guards at the entrances have instructions not to permit anyone to leave the dugouts until the all-clear is sounded. In this case there were four raids in succession, causing the people to remain within the shelters for practically five hours. It seems that there were three entrances to the dugout, but the ventilating system was inadequate, particularly in view of the overcrowding. It also was said that the guards at the entrances, unaware of the conditions within the tunnel, refused to permit the occupants to emerge during or between the bombings. As a result deadly carbon dioxide formed, and being heavier than air, finally filled the place, excluding the oxygen-bearing air. First there was distress, then panic in which people trampled each other and died by hundreds, if not by thousands as stated in some of the reports.

Police and helpers were busy for several days removing bodies, all blue from asphyxiation, with clothing torn and skin bruised from trampling and struggling. Tales told by survivors were heart-rending. Whole families were wiped out, or only one or two members survived. Bodies were removed in trucks to the top of the hill where relatives and friends indentified them, or they were transported across the river to a common burial ground. Piles of personal effects, including money and jewellery, removed from the bodies, were taken away in baskets to be held for responsible claimants.

General Chiang Kai-shek immediately took charge of the situation and suspended several officials who had been derelict in their duties, particularly with regard to inspection and enforcement of regulations concerning ventilation and sanitation. As a result of the tragedy, all dugouts in the city have been cleaned up. The lesson has been learned, but at terrible cost. One result was that the foreigners in Chungking got together and sent President Roosevelt another appeal to prevent American firms from selling gasoline to the Japanese, who were responsible for the world's worst airbombing tragedy.

Wang's Moral Crusade Short-Lived; Police Permit Gamblers to Resume Operations

THE Tokyo *Asahi*, about a month ago, published an editorial stating that the most effective way of strengthening the Nanking regime "would be to remove China's old and established ills such as gambling, opium-smoking and unhygienic living." The editorial said that while Japan was "cooperating" with the Nanking regime in an economic way, the Japanese authorities "should press Wang Ching-wei to introduce reforms in the lives of the people connected with the regime."

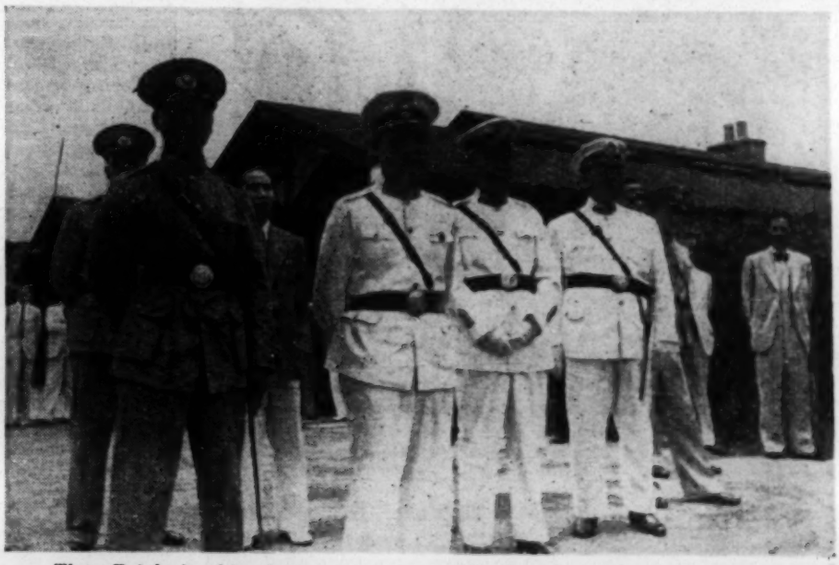
Since there had been considerable talk among Japanese politicians about "strengthening" the Wang Government, the editorial in the influential Tokyo paper stirred up a great commotion. The Japanese Ambassador at Nanking, Kumataro Honda, hurried to Tokyo where he issued several interviews urging support for Nanking, which he said was being neglected. The situation culminated in Wang Ching-wei's present trip to Tokyo, togeher with most of his Cabinet, including particularly the Minister of Police, Li Shi-chun and the Minister of Finance and concurrently head of the new Central Reserve Bank, Chow Fu-hai. The Mayor of the local Chinese Municipality, Chen Kung-po, who has long agitated for a clean-up of local gambling and racketeering, did not accompany his chief on the trip to Tokyo, the second Wang has taken since he assumed office as head of the Japanese-controlled government in Nanking.

In view of the reference in the Tokyo paper to gambling, opium-smoking and unhygienic living which prevailed in areas under the Nanking regime, it became necessary for the officials to do something about the disgraceful situation prior to Wang's departure for Tokyo. Many other elements were involved, including protests of the foreign police officials connected with the newly-formed West Shanghai Area Special Police Force, but a primary reason for the "moral crusade," short-lived though it turned out to be, was a desire to give Mr. Wang some "face" in Tokyo, in view of the complaints which had been made about immoral conditions prevailing under the puppet regime.

C. C. Pan (Pan Dah), Police Commissioner in the so-called "badlands" which adjoin the foreign administered areas, went to Nanking where he received instructions from Mr. Wang and the Japanese military to close the gambling houses and also the opium-dispensing dives connected with the gambling houses. In a sense these institutions come very near to being "official" as some of the places, such as the China Club, actually are owned by high officials of the Government, while all have had the double protection of the Nanking regime and the Japanese gendarmerie. They are also "official" in another sense, in that they constitute a chief source of income for the Nanking Government, the monthly receipts from the gambling houses and accompanying narcotic trade amounting to approximately $3,750,000 monthly. Of this sum, $750,000 was contributed in the form of "special taxes" to the Nanking treasury, while smaller sums were handed out to officials of the local municipality for protection. It was alleged that two officials received $50,000 each from one foreign-operated house. The big "Six Nations Club" on Avenue Haig paid over $10,000 daily, Farrens $5,000, Union Club $3,000, China Club $3,000, Eventail $3,000.

So much for the background. With a grand flourish of trumpets, Commissioner Pan closed all of the gambling houses on May 31 and June 2—and President Wang Ching-wei set sail for Tokyo, taking with him the two officials of his regime who were mostly concerned with the gambling and racketeering situation (including the kidnapping-for-revenue industry), the Ministers of Police and Finance. Another official, popularly known as the "king of racketeers," Woo Su Pao, who has charge of the political headquarters at No. 76 Jessfield Road, was absent in Hangchow when the joints were closed.

They Closed—And Re-opened—The Gambling Houses



The officials in this picture were responsible for the original closure—and the later re-opening—of the notorious gambling houses in the "badlands" area, adjoining the International Settlement and French Concession. Teng Tsu-yu, Nanking Vice-Minister of Police, is standing at the left. The others in white uniforms include Commissioner C. C. Pan (Pan Dah) of the Western District Special Police (standing next to Pan) and Woo Su Pao, the Nanking political agent in charge of No. 76 Jessfield Road.

On June 15 there arrived in Shanghai from Nanking the Vice-Minister of Police, Mr. Teng Tsu-yu, for the purpose of inspecting the new Western Area police adminstration. Mr. Teng, together with other officials of the local regime, is shown in the accompanying picture. Following the review, Woo Su Pao, the Nanking political agent, staged an elaborate banquet at his home, the entertainment consisting of music by two bands with dancing numbers provided by entertainers from the Argentine's floor-show. The Argentine, it should be explained, is a new night-club, which was started by some foreigners previously connected with the gambling business. The dinner and entertainment at Woo Su Pao's house continued until 3 a. m., whereupon all repaired to the Argentine, where the scenery was all set for a new show—resumption of gambling. Paraphernalia, including roulette tables, chemin-de-fer and slot-machines had been secretly installed in the upstairs rooms. When the crowd, including the professional entertainers, had assembled about the tables, one of the officials, who acted as master of ceremonies, gave the order and the croupier with a grand gesture spun the ivory ball about the whirling roulette wheel.

Three other gambling houses, catering chiefly to Chinese, were reopened the same night and have continued since. Commissioner Pan, when informed the following day of the reopening of the houses, declared that he would make an investigation and "if it was found that gambling houses had resumed operation, he would close them and punish those responsible." Commissioner Pan has continued to issue similar statements almost daily, despite the fact that local newspapers have carried reports about the actual situation. On June 21, Commissioner Pan personally led a raid on two places, Eventail and the Welcome Cafe, at Jessfield, and seized several slot-machines. He also stopped a Bingo game at the Welcome cafe, but did not interfere with roulette and chemin-de-fer, which were operating full blast at St. George's Garden, which is close to the Welcome Cafe.

In the meantime the local courts continue to try persons who have embezzled funds in order to recoup losses at local gambling houses. On June 20 two students in the Kaming Middle School named Tung Kwang-yu, 19, and Chang Sze-sing, 24, were prosecuted in First District Court in the International Settlement, for wounding a "girl-guide" or professional entertainer, in an attempt to rob her of her jewellery. The students had lost their money at a gambling house at Ziccawei, near Nantao, where the gambling houses never were closed.

Another case, which attracted considerable attention involved Siegfried Levy, German Jewish emigre. It was disclosed that he had misappropriated the sum of US$700, sent him by a sister in America for use in paying the fare of another relative still in Germany. He admitted in court that all of the money had been lost in badlands gambling houses. He was given a three months' suspended sentence.

Talking it Over With Honda

Wang Ching-wei, head of the Nanking regime, shown conferring with Japanese Ambassador Kumataro Honda, prior to Mr. Honda's and Mr. Wang's sudden trips to Tokyo. Circumstances surrounding Wang's trip are discussed in the accompanying article.

WHAT EVERY BRIDE SHOULD KNOW

The Japan-Manchoukou Women's Association, the *Japan Weekly Chronicle* reported a few weeks ago, decided to establish institutions . . . to train women who are seeking marriage on the Continent. Besides pistol and rifle shooting, they are to be given lessons in the rearing of infants.

Was some wit taking a sly dig at Japan's "New Order" as evidenced, for example, in the "Badlands" of Shanghai?

Sassoon, Hore-Belisha Revive The Idea of a Federal Union

During the past three weeks there has been a noteworthy revival of the idea of union, to one extent or another, of the Anglo-Saxon peoples with a view to the establishment of a powerful "united front" of the democratic states to stem the advancing tide of totalitarianism. The specific proposals advanced lately come from Mr. Leslie Hore-Belisha, former British Secretary of State for War, and Sir Victor Sassoon, the well-known British capitalist who has extensive interests in Shanghai.

Speaking before the National Scottish Association in London on June 6, according to a *Domei* report from the British capital, Mr. Hore-Belisha advanced a proposal for the establishment of a "common citizenship" for Britons and Americans as "the most hopeful assurance" that the Democracies—and not Herr Hitler—would succeed in establishing a new world order. He also suggested that the industrial efforts of Britain and the United States should be directed by a single "Allied Council."

Sir Victor Sassoon's proposal, made in Los Angeles on June 19 before his departure for Shanghai, was of a more sweeping character, envisaging an outright Federal Union of the British Empire and the United States, according to *United Press*. A world federation of the Democracies, with England, Australia and Canada becoming parts of the United States, is necessary, he was quoted as saying, because—"There is no other way to halt Chancellor Adolf Hitler."

The Shanghai capitalist said that he approached the question from a businessman's viewpoint, and declared: "It is now so obvious to the businessmen of the world that a federal alliance with England is necessary, that it hardly bears discussion. England must come into the democracy of the United States with the full rights of statehood. It also is obvious that such an arrangement would mean that England would relinquish her traditional institutions and government."

The idea of a federal union of the democracies was first advanced by an American writer, Clarence Streit, who wrote and published a book entitled "Union Now," which appeared in March, 1939, six months before the the European conflict broke out. Mr. Streit proposed that the peoples of fifteen democracies should unite under one government, creating a common citizenship and pooling their armed forces and the administration of their foreign affairs and trade, in order that Hitler's aggression might be halted. War came, and Mr. Streit urged that the same democracies unite to fight and defeat Hitler. Then Scandinavia, the Low Countries and France were overrun by the Nazi war machine, reducing to seven the number of democracies capable of independent action—the United States and the six nations of the British Commonwealth, all English-speaking. Early this year, Mr. Streit proposed that these seven unite.

Whether Mr. Streit's idea has been given serious consideration by the states concerned is not known. There has certainly been no public intimation of official interest and the idea appeared to have died a natural death until revived by Mr. Hore-Belisha and Sir Victor Sassoon.

What, if anything, is the significance behind the revival of the idea? It will be recalled that when the Nazi hordes were streaming across France, and it became apparent that French resistance could not be long sustained, Mr. Winston Churchill, in a desperate effort to stem the tide of despair and defeatism in that country, made a formal proposal for complete union between the British and French empires. Those in charge of France's destiny preferred surrender and capitulation to a continuance of the war in close union with Britain.

Does the revival of the "Union Now" idea suggest that Britain is in the sorry plight of France a year ago? It is generally believed that American solidarity and assistance has been a mighty factor in sustaining the British morale. Had Britain been isolated, cut off from all help, compelled to battle the Nazis alone, she might possibly have trodden the path of humiliation taken by France. As it is, she is still fighting and fighting well, and has renewed her pledge to keep on to the finish. Today, with Russia and Germany at war, Britain has every reason for enhanced confidence in the eventual outcome of the conflict.

For this reason alone, the idea of a federal democratic union is likely to remain in cold storage for some time. Yet the idea is an intriguing one, especially when con-

sidered in all its manifold implications. It would unite the 13,539,113 square miles of the British Empire with the 3,738,395 square miles of the United States, the combined territory exceeding that of the U.S.S.R. and China put together. The combined populations would total about 635,000,000 people, almost equal to the combined populations of the U.S.S.R. and China. The union would bring about ideal conditions in certain respects. Its citizens would be able to move to and between a large number of countries without the vexation of visas and customs formalities.

Politically, it would seem to be a comparatively simple matter to establish such a union, but the economic difficulties would be enormous. In the years after World War I, Britain had difficulty in holding her empire together. Politically and ideologically the various units of the empire were united, but economic rivalries represented a serious centrifugal force. Britain was compelled to grant Dominion Status to Canada, South Africa, Australia and New Zealand—later to the Irish Free State—and to grant certain economic "preferences" to the Dominions in order to preserve their attachment to the mother country.

In a union embracing still more numerous lands and peoples the same difficulties would be encountered on a greater scale. That is why the idea of union, along the lines of Clarence Streit's plan, may forever remain a distant dream.

Shanghai Not Affected by Freezing Of Axis Credits in the U. S. A.

BY JOHN AHLERS

The action of the United States in freezing German and Italian credits has had but negligible effects on Shanghai business. The Italians never were of any economic consequence here except in shipping, and Italian shipping out here stopped more than a year ago following Italy's entry into the war. German business in Shanghai during the past eight months experienced a strong recovery based on expanded Trans-Siberian transit trade, and has not been adverse to making use of the facilities offered by local American banking. Yet the Germans expected direct U.S. freezing of their funds and took precautions not to get caught. The German funds now frozen in Shanghai American enterprises are insignificant, and there still remains the possibility of liquidation. There also remain, due to the peculiar structure of international Shanghai business, manifold possibilities of continued German-American transactions here.

Shanghai finance, on the whole, felt rather relieved over the new U.S. freezing decree against Germany and Italy, and this because the decree did not include any measures against Far Eastern, notably Japanese and Chinese, holdings in the United States. U.S. freezing of Far Eastern holdings in U.S.A. has been almost persistently expected here since late last year. In many quarters it was believed that the Washington administration lay in wait for an appropriate opportunity to enforce such freezing. Many feared that the freezing of German and Italian assets in U.S.A. would provide that opportunity. But Washington let the opportunity pass once more. Today, all Continental European assets in the United States are frozen, but all Far Eastern assets remain free.

Plans Held Ready

The freezing of Chinese and Japanese assets, of course, has been envisaged seriously in Washington for a considerable time, though not for the same reasons. The freezing of Chinese holdings in U.S.A. has been planned as a measure calculated to assist the Chinese national dollar, and the Chinese National Government's continued resistance against Japan in general. The freezing of Japanese holdings, on the other hand, has been under consideration clearly as an anti-Japanese step in the nature of retaliation on account of Japan's anti-American policy. The same measure that was devised to help China was also devised to hurt Japan.

Washington has considered the freezing of Chinese assets in America in close understanding with the Chungking Government. Mr. Henry Morgenthau, Jr., and Mr. T. V. Soong last winter negotiated the matter in detail. A freezing decree concerning Chinese assets in U.S.A. is generally believed to have been drafted, and to be held prepared for announcement at any opportune moment. But the the drafting of this decree, or rather the news which leaked out in the matter, already have had far-reaching financial effects. They encouraged large-scale repatriation of Chinese flight capital from the United States to this country, and the re-conversion of very substantial local U.S. dollar holdings back into Chinese national currency. What today remains of Chinese flight capital in the U.S.A. seems to be hidden away so well that it is extremely unlikely to be caught by a freezing decree. The situation has changed, and today the enforcement of an American decree freezing Chinese holdings is no longer likely, except as an accompaniment to a decree freezing Japanese assets in U.S.A.

Chinese Flight Capital

The fundamental idea underlying the Morgenthau-Soong freezing negotiations was that U.S. freezing should provide both Washington and Chungking with a firm hold upon Chinese flight capital in U.S.A. so that this capital might be disposed of in the interests of the Chinese National Government and of Free China's fight against Japan. In effect the United States, in these negotiations, offered Chungking an opportunity to recover part or all of the Chinese financial resources which had escaped its grip. Freezing of Japanese assets in the U.S.A. has been under consideration with a totally different purpose in view, namely, depriving Japan of free disposal of these assets and preventing her from using them in support of her Far Eastern adventures and of her totalitarian friends in Europe. Washington never thought of negotiating the matter with the Tokyo Government although, of course, the state of current U.S.-Japanese relations has considerable bearing upon the matter.

The diplomatic activities at Washington of Japan's appeasement Ambassador, Admiral Nomura, have been shrouded in secrecy. Outsiders do not know whether or not the Ambassador ventured to make definite proposals calculated to improve U.S.-Japanese relations. From time to time there have been rumors of such proposals, and of pending or even actual negotiations between Washington and Tokyo on a general settlement of Pacific affairs. It would appear that most of these rumors did not have much foundation in fact. Yet it also seems that Admiral Nomura's presence and attitude in Washington for the past half-year helped prevent a further deterioration of U.S.-Japanese relations, and at least partially accounted for the postponement of an American decree freezing Japanese assets in the U.S.A.

Retaliatory Measures

Such a decree could be perfectly justified. Too many uninformed quarters still consider the various U.S. freezing decrees against other countries as rather arbitrary and one-sided measures. To regard these decrees as retaliatory measures would be much more correct. The United States has not yet frozen the assets of a single foreign country where American assets continue to be free. All the countries whose assets in U.S.A. have been frozen by action of the Washington Administration, had previously frozen American assets. Such freezing of American assets in the other countries concerned was effected, in most instances, through governmental controls of capital, foreign exchange and trade. From no country in Continental Europe can Americans today freely export foreign exchange and capital; in every one of these countries the movement of American assets is regulated by a strict permit system. American freezing of foreign assets likewise amounts to the introduction of a system of permits regulating the movement and disposal of such assets.

Tokyo has frozen already, for all practical purposes, the American assets in Japan. The ever-tightening Japanese controls of foreign exchange, of capital and trade deprive those American assets of all and any freedom of movement. Americans cannot freely withdraw capital invested in Japan. They are not allowed to withdraw such capital even when Japanese legislation changes the very basis upon which American investments formerly were effected. Hundreds of millions of U.S. dollars worth of Japanese power works bond issues have been deprived of their former security and are suspended in mid-air. American residents in Japan

cannot freely remit their savings back home. The American film companies are not permitted to transfer to the U.S.A. the full profits of their Japanese business, but have to subscribe to large amounts of the Japanese government's deficit and war bonds. For each and every transaction with assets in Japan, every American requires a Japanese governmental permit. Besides, the Japanese have immobilized in Manchuria, and in their new conquests in China proper, a good deal of additional American assets.

Huge Nippon Investments

Fortunately, the United States retains a good chance for securing compensation. There are huge Japanese investments in the U.S.A. The total of these investments is estimated in the neighborhood of U.S.$1,500,000,000. During the past few years, it is true, Japanese private interests borrowed against these investments whatever they could, and from this source was derived much of the non-yen-bloc trade. But the net value of these investments would still appear to be around U.S.$1,000,000,000, and thus to surpass twice the value of the U.S.$500,000,000 worth of American investments and other assets frozen in Japan proper and in Japanese-occupied territory in China. Washington, therefore, holds a whip over a substantial Japanese security in the U.S.A. for American investments out here, and there is a good chance that this whip will one day crack down in the form of a decree freezing Japanese holdings in the U.S.A.

Such a decree would have far-reaching economic effects upon Japan, and this not only because of the attachment of the biggest Japanese investments in any country outside the yen bloc. It would automatically subject Japanese-American trade to an American permit system, and Uncle Sam is Japan's most important non-yen-bloc supplier and customer. It would subject to American permits the U.S. dollar settlement of trade balances between Japan and the Netherlands Indies, and Japan and Russia. It would affect dealings with Japan and Japanese firms by American corporations and individuals all over the world. And because Japan is dependent on business with the United States to far greater extent than is the United States on business with Japan, the weight of an anti-Japanese freezing decree in the U.S.A. would be far greater than the weight upon American business of all Japanese anti-American measures put together. There would undoubtedly be farreaching political repercussions.

Would Affect Business

Shanghai, of course, would be unfavorably affected by any U.S. decrees freezing Japanese and/or Chinese holdings in the United States. Such decrees inevitably would cut right through the heart of local business, whose present outstanding feature is the absolutely free intercourse between all participants. Fortunately for Shanghai, U.S. freezing of Chinese holdings no longer is to be expected for the near future, since its mere threat already resulted in large-scale repatriation and reconversion of Chinese flight capital. A U.S. decree freezing Japanese assets in the present situation would not appear likely either, and would have to be expected only following a very definite turn for the worse in U.S.-Japanese relations.

Chinese Fronts Quiet, Air Raids Continue

Except for continuing Japanese air raids over a wide area of the Chinese hinterland, the war fronts in this country have experienced unusual quiet during the past week.

Japanese bombing squadrons on June 20 ranged far over Szechwan and Hupeh, passing over Chungking on their way to attack Luchow and Tzeliuching, but without dropping any bombs on the wartime capital.

Enshih, in western Hupeh, near the Szechwan border, was bombed twice last week. Japanese reports claimed that military establishments in the city were heavily damaged.

Lanchow, capital of Kansu, and Sian, capital of Shensi, were subjected to heavy bombing on June 18. It was reported that 14 Japanese aircraft bombed the eastern outskirts of Lanchow, while 10 machines attacked Sian, demolishing 300 houses and causing 40 casualties.

During the past week, Chinese guerilla forces operating in northern Hunan launched successful attacks on Japanese positions in the extensive area between Sinputze, Yanglowsze, Lukowpu, Chungfang, Taolin, Sitang, Changanyi, Wulpai and Yunki, according to **Kuomin.** Heavy casualties, it was reported, were inflicted on the Japanese and large quantities of military supplies seized. Pankiao was reoccupied by the guerillas during this drive, it was further claimed.

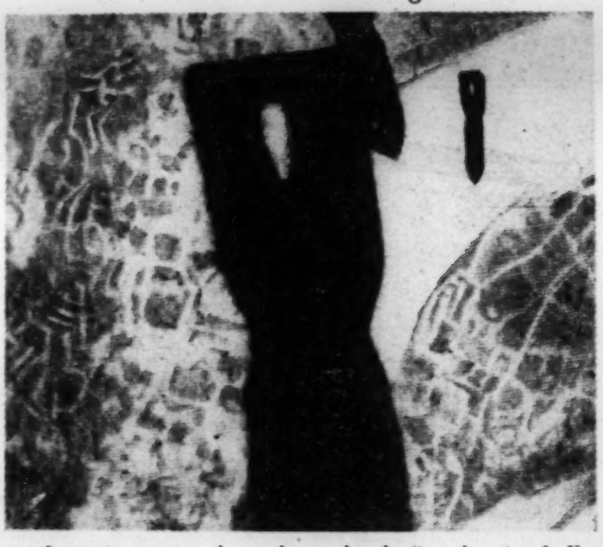
In northern Shantung, a surprise attack on the Japanese positions at Siakiatsi, north of the Kiaochow-Tsinan Railway, was launched by Chinese guerillas on June 17, another **Kuomin** report from Chungking stated. The small Japanese garrison was completely liquidated. Puppet troops joined the Government forces. Three machine-guns and a quantity of arms and ammunition were captured by the guerillas, the same report continued.

The Chinese military spokesman, quoted by the **United Press,** believed last week that with a lull on all fronts and liaison conferences between the Japanese Cabinet and High Command in Tokyo, the Japanese again were facing a vital decision—whether to push south or continue their drive in China toward the west. He said that neither step would be of advantage to Japan.

Japanese Woman Goes Farming in Pootung

Considerable curiosity has been aroused in Chinese and foreign circles in Shanghai regarding reports in the local Japanese papers concerning a Japanese woman, who has been given the title, "Mother of Pootung." One report in the **Mainichi** said that Miss Yamagishi had just returned from a trip to Tokyo where she had raised funds for "laying out a 25-acre farm in Pootung." A **Domei** report from Tokyo said that a "certain businessman" had given her $300,000 anonymously," for the purpose of developing a farm, which would employ both Chinese and Japanese in the production of agricultural products, live stock and handicraft work. The report stated that Miss Takako Yamagishi was already conducting two Japanese language schools and a "workhouse" where 150 Chinese women are taught embroidery, sewing and other handicraft. A still further report by the French **Havas** service said that Miss Yamigishi's farm in Pootung would contain 400,000 square yards and would provide location for extensive sewing and embroidery factories. She said her object was to guide Chinese women by giving them appropriate work.

"Heart of Kunming"



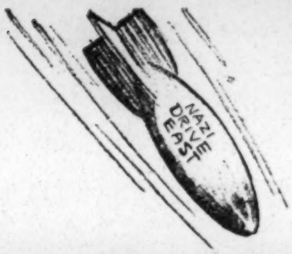
Japanese navy plane drops bomb "on heart of Kunming," according to inscription under this picture which appeared in the Osaka Mainichi. The accompanying description said that the Navy's Wild Eagles wrought further havoc on enemy "military establishments" in a mass-raid on Kunming, capital of Yunnan. The heading, however, said that the bombs were directed at the "heart of Kunming."

Chung Mei Boys Mourn Air Force Hero

The following appeared in the **Chungmei Chronicle,** El Cerrito, Cal., organ of the Chung Mei Home for Chinese Boys: "The war in China has come close to us recently in the death of Captain Hsinjui Wong, brother of Glen Wong. Glen was of course very proud of this big brother who was captain of a fighter-squadron, and who has been flying for China since the beginning of the war. A special correspondent from Chungking writes of him thus: 'He was killed in an air fight with the Japanese on March 18. Outnumbered, as always, Captain Wong led his squadron to plunge into a swarm of enemy planes bound for the capital. His squadron shot down six planes, but lost two of its own. Captain Wong is a well-known hero of many air fights, and had been wounded in the arm in one encounter.'"

PICTURES AND CARTOONS FROM A WORLD IN CONFLICT

Outfielders' Choice



The Chicago Daily News.

Plotter

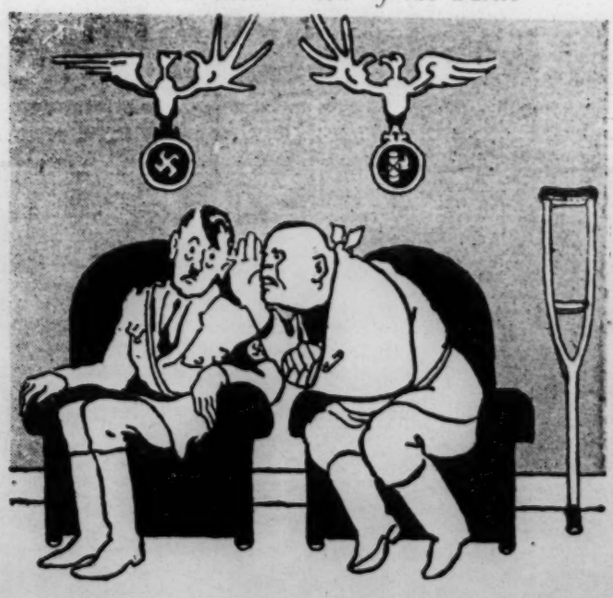
Time-Acme photo.

Col. Kingoro Hashimoto, Japan's No. 1 fascist intriguer, whose activities were described in last week's issue of The Review.

Refugees Cared For

Pictured here is Dr. J. C. McCracken, superintendent of the American Hospital for Refugees in Shanghai, with two of his young charges. The girls are clad in garments made from the sacks in which cracked wheat, gift of the American Red Cross, arrived here.

'Free French' View of the Axis



La France, London.

"Tell me, where shall we go when we are defeated?"

Experts in U.S. Have Plan for Defeating Nazi U-Boat Campaign in the Atlantic Ocean

The accompanying diagram-map illustrates the plan American experts have suggested to Great Britain as a substitute for the present system of convoying, writes the *Eastern Graphic*, a Singapore publication.

They suggested a "lane" of destroyers spaced across the Atlantic at 50-mile intervals. Each destroyer would be able to patrol its sector ten times a day, so that every inch of this sea lane would be policed by a warship every three hours. The distance from Labrador (Canada) to Glasgow is 1,860 miles, so that the plan could be carried out with 74 destroyers.

On present known strengths England has about 200 destroyers, so that even if America could make no more destroyers available to her, she would still have at least 126 free for other work.

There is a move in the United States for America to convoy her own supply ships, and for more destroyers to be made available to Britain. Arguments against the present convoy scheme are:—

1. It bunches groups of inadequately protected ships into a mass target for German planes, U-boats, and surface raiders.

2. It reduces the efficient use of badly needed ships because fast merchantmen lose days while waiting for a convoy to assemble, and then must reduce their speed to that of the slowest ship in the convoy.

Main argument against the "lane" scheme is that a more heavily armed warship could lie in wait for the patrol vessels because they could plot their movements fairly accurately.

Answer to that is that reconnaissance planes could be used to warn patrol vessels of such danger.

This diagram also shows an auxiliary scheme for using planes as protection for merchantmen on three comparatively short "legs" across the Atlantic—Labrador to Greenland, Greenland to Iceland, and Iceland to Scotland.

The problem of getting cargoes to Britain from the United States was the subject of an interesting article in *Newsweek* of April 7 by Admiral William V. Pratt, U.S.N., who wrote as follows:

The year 1941 finds us in much the same position we faced in the early spring of 1917. Then, however, war had been declared, and the mandate imposed on us was clear. It was all-out aid to the Allies, in military, sea, and material power.

The inhibition of fear and the policy of isolation were thrown to the winds. We retained for defense none of our great reserve power. The declarations of war by China, Japan, and other countries not immediately under the influence of the Central Powers helped to limit the world influence of Germany and confine the struggle to Europe.

Today the situation is more critical than it was in 1914-18, and in some respects we are less well prepared to meet it. Many of the inhibitions then discarded still remain. Nazi influence, propaganda, political pressure, and subversive effort have spread to every known quarter of the world. Facing great odds, Britain fights alone for her own preservation and that of the empire.

Within our circumscribed limits of nonbelligerency, we have a mandate. It differs from Hitler's proclamation that he will attack England wherever she is found in that we announce our intention to aid Britain, and those aligned with her, in every material way possible. Backed by the recent $7,000,000,000 appropriation, we have started the ball rolling toward making us the great arsenal. But to get the supplies we are producing to their destinations requires transportation. Thus the sum of our present war effort is twofold: production and transport.

Of the two factors, transport is the weak link. British shipping is constantly being whittled down, and our tonnage is not as large as it should be. If an efficient solution of the campaign of production and transport is to be found, Britain and ourselves should come to mutual understandings in the matter of building and allocating ships, and particularly what effective dispositions should be made of our joint naval forces for their protection.

We are exceptionally favorably situated for overseas distribution of supplies to localities within the war zone and to those outside it. On the Atlantic Seaboard from Newfoundland to Chesapeake Bay, conditions are excellent for the distribution of supplies to ports in Europe, extending from Iceland to the Straits of Gibraltar, the sea distance being roughly 3,000 miles. Farther south, for supplies bound for East and West African ports, Trinidad and—if we have the cooperation of our South American neighbors — Pernambuco, Rio de Janeiro, and Buenos Aires are key spots from which to start sea traffic.

From Rio and Buenos Aires the distance via the Cape of Good Hope

(Continued on Page 124)

A Plan for Defeating Nazi U-Boat Campaign

The Eastern Graphic, Singapore.

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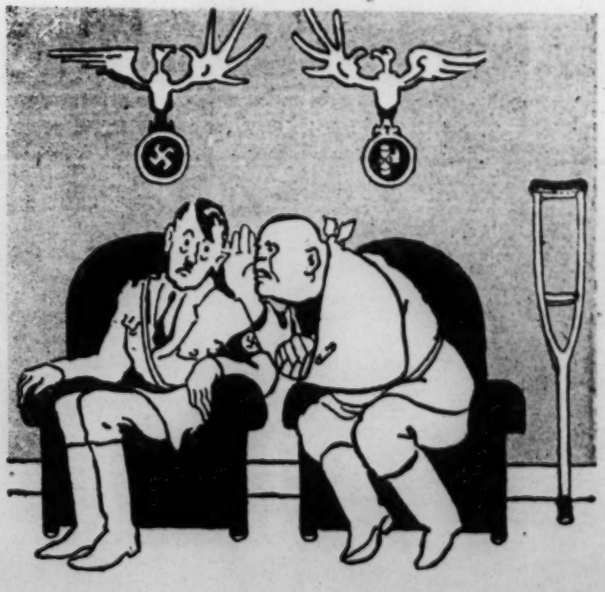

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The Eastern Graphic, Singapore.

American Red Cross Aid Reaching Multitudes Of Desperately Needy Chinese Refugees

CHINA FACING GRAVE CROP SITUATION

According to word received in Shanghai, the Chinese authorities in Chungking are considerably perturbed over the crop situation, especially in Szechwan Province, due to lack of rain. The water in Szechwan's rice fields, it is stated, has evaporated, the ground is becoming cracked and the crops are withering. The price of rice is sky-high in Chungking and the city authorities are importing large quantities from other parts with the hope of bringing the price down. A reader of The Review in Chungking reports that rice is selling there at $480 per picul. The price of first-grade rice in Shanghai is about $140 per picul, and that is ten times higher than in 1937.

American Red Cross aid is bringing succour to China's destitute throughout the nation's war-ravaged Eastern provinces, judging from reports emanating from the American Red Cross Committee in China.

This aid, primarily in the form of medicines and foodstuffs, chief of which is cracked wheat, is scheduled to relieve suffering in practically all of the occupied provinces south of Jehol. Even isolated Hainan Island off the coast of French Indo-China has sent in its order for a share of the American-donated supplies.

Wide Area Covered

By June 9, 1941, applications from responsible groups signifying a need for Red Cross supplies of one kind or another, totaled 177 and represented organizations scattered through 75 different cities in 11 of China's provinces. Greatest concentration of applicants, of course, was in Kiangsu Province where 71 different bodies in Shanghai alone asked for a quota of relief supplies.

Of the 177 applicants who signified their need for aid the majority were mission groups which have always been the primary distributors of relief foodstuffs and drugs to China's millions. Requests for Red Cross wheat and medicine, came also from specific societies such as the Shanghai Destitute Children's Home, the Shanghai Good-Will Industries, the Shanghai Anti-T. B. Association, the Chinese Mission to Lepers, the Y.M.C.A. Nursery, Lingnan University, Bachman Hunter Hospital, and the First Hospital of the Chinese Red Cross Society of China.

Indications of the urgent need for additional aid to the poorer residents of Japanese-occupied cities are evidenced in a recent letter sent to the Red Cross Committee in China from a Shantung distributor of the Committee's supplies in which the recent increase of disease among the poor is deplored.

Sickness and Disease

After citing the 400 to 500 percent increase in the living cost, the Shantung distributor states that "two years ago we saw our first patient with pellagra ....We are discovering more and more of the sick coming to us from the city and country, suffering from disease due to poor nourishment. I am not speaking here of the many, many cases of actual starvation....

"The Oriental disease Kalaazar is endemic in the countryside....It will interest you to know that just at this time we are taking up one small village....where probably at least all the children are infected.

"Amebic and bacillary dysenteries are two diseases which also infect many of the poor....Another of the transmissible diseases which affects many of the poor is typhoid fever....Tuberculosis in all its forms is increasing due to low vitalities. This is particularly true of poor students."

As a tribute to American Red Cross aid in combatting these diseases, the Shantung man writes that "the serving by the local branch of the Salvation Army of cracked wheat, which your committee allotted to them, has done much to give those people coming to them for food, the very much missed vitamin B. The people receiving that food this spring are more resistant to disease."

The distributor goes on to thank the Red Cross Committee for "your generous allotments of drugs," some of which were presumably tissue building and vitamin compounds used in fighting tuberculosis, the expensive drug emetine and the arsenical preparations used for fighting dysentery.

The crying need for increased aid for suffering, war-ruined Chinese peasants, so clearly portrayed in the above letter, is being answered in the United States by a United China Relief drive for US$5,000,000. The drive, scheduled to attain its goal by July 31, is conducted under the chairmanship of James B. Blaine and has already exceeded the US$1,000,000 mark.

Largest single donation to date was given by John D. Rockefeller Jr., who contributed US$50,000 to the fund. Other large donations have come from anonymous donors, one amounting to US$500 and another to US$20,000.

The United China Relief is composed of the seven chief agencies for Chinese relief now operating in the United States. These include the American Bureau for Medical Aid in China, which supports emergency aid stations and epidemic control centers in the Chungking area, the Associated Board for Christian Colleges in China, which is continuing the education of thousands of homeless students in China; the Amerian Committee for Chinese Industrial Cooperatives, operating 3,000 "vest pocket" industries; the China Aid Council, which provides medical aid for children; and the Church Committee for China Relief.

Latest fund raising banquet given by the united organization took place in the Waldorf-Astoria Hotel in New York on June 18. On this occasion tribute was paid to Generalissimo Chiang Kai-shek and Madame Chiang by prominent guests including Mr. Wendell Willkie, Dr. Hu Shih, Dr. Lin Yu-tang, Mr. Henry Luce, Miss Clare Boothe, Mrs. Pearl Buck, Mr. John Gunther, Miss Grace Moore, and Mr. Alfred E. Smith.

American aid of a more militant nature than famine relief is now reaching China through the dispatch of financial, highway, and airplane experts to Chungking.

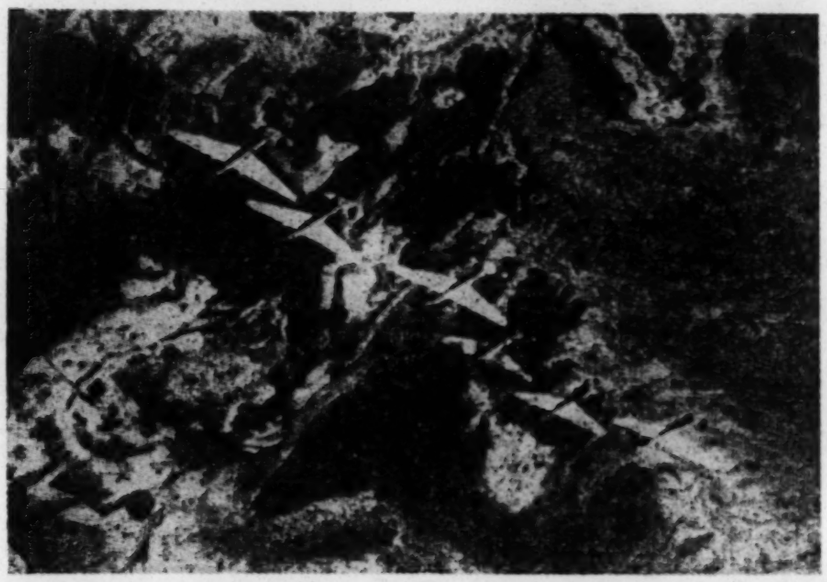
Mr. Manuel Fox, American member of the newly-established Currency Stabilization Board, recently reached the war-time capital and has already outlined the work of the Board and its purpose in a speech made before the National Finance Conference on June 20.

In this speech he pointed out the value of currency stabilization in facilitating China's external trade, in discouraging speculation, and in maintaining the prestige of the Chinese dollar in all areas in which it circulates.

He further pointed out that the "functions of the board transcend the sphere of currency relationships. The board is a symbol of friendship and cooperation between two free, independent countries....Our work will have been well done if it contributes to strengthening the ties of friendship between the United States and China."

In further reference to the Currency Stabilization Board, he asserted that the Board, although created to deal with financial problems, in order to stabilize the currency, must deal with such problems as inflation and rising prices, the continued emission of bank notes,

Japanese Bombers Over Szechwan



The Japan Times.

Picture shows Japanese naval bombers winging their way over the hills of Szechwan, bound for Chungking "on an errand of destruction," as the Japan Times described it.

scarcity of food, necessity of increased production of military supplies, fair taxation, and financing of government expenditures.

In hopes of improving trucking facilities on the Burma Road, the United States is preparing to send three leading American highway transportation experts to China shortly.

The three experts, Mr. Daniel G. Arnstein, Mr. Harold C. Davis and Mr. Marco Hellman, are all "dollar-a-year" men who will help China solve the problem of transporting large quantities of war materials over the Burma Road.

The trio plans to travel over the road from Chungking to Rangoon, making a preliminary survey, and will then settle down in Rangoon to remain until the problem is worked out.

Although not officially sent by the United States Government, army fliers in unrevealed numbers have been permitted to resign to order to enlist with the Chinese air force. No barriers are being raised concerning either loss of citizenship or army ranking, according to informed quarters. An ancient 1860 law forbidding Amerian citizens to enlist with foreign forces will not be enforced by the American Government.

Huge Boulder Plunges Into Japanese Consulate

The building of the Japanese Consulate-General in Hongkong narrowly escaped serious damage, with probable casualties, when a huge boulder, loosened by erosion following heavy rains, rolled down from Victoria Peak and crashed into the compound of the building, the Tokyo *Asahi* reported on June 19. Said to be the size of an automobile, the boulder crushed a small shelter at the rear of the grounds and imbedded itself in the tennis court. A consular student-clerk had left the shelter only a few minutes before the boulder struck.

Raising of Yen Rate Discussed in Tokyo

The yen rate on London and New York will shortly be raised, exchange bankers in Tokyo believe, according to a *Domei* message from the Japanese capital on June 21. The rate has been pegged at 23-7/16 U.S. dollars and 1/2d since the autumn of 1939, but both foreign currencies have dropped sharply since that time, as evidenced by the greatly increased prices in the United States and England, it was pointed out. This was said to be inimical to Japan's foreign trade.

Henry Ford Signs With Auto Union

Abandoning his previous stubborn refusal to have any dealings with workers' unions, Mr. Henry Ford, the American automobile magnate, signed an agreement with the United Automobile Workers of America on June 20, thereby recognizing the principle of collective bargaining. The Ford plant at River Rouge in Detroit was paralyzed by a strike a few months ago because of Ford's refusal to recognize or deal with the union. In a subsequent National Labor Relations Board election, the Ford employees, numbering about 95,000, voted overwhelmingly for the United Automobile Workers, an affiliate of the C.I.O., as their collective bargaining agency.

Shanghai Russians View the New War

BY A RUSSIAN

The familiar division of sentiment was in evidence among Shanghai's Russian community when news of the Soviet-German war broke last Sunday. Russians in Shanghai number more than 30,000 of whom about 2,000 are Soviet citizens.

No time was lost by the Soviet citizens in proclaiming their complete loyalty to Russia's cause. A meeting at the Soviet Citizens' Club, attended by a majority of the local Soviet citizenry, resolved to send a cable to Dictator Stalin, placing themselves at the disposal of the Soviet Government for military or other service. Military enrolment has been started on a voluntary basis.

Among the preponderant community of White Russians who for the most part harbor bitter memories of the Bolshevik Revolution which caused their exile, sentiment was divided. Former monarchist officers —most of them of decidedly advanced years—welcome the German attack on Russia, seeing in it the beginning of the realization of their never-abandoned hope for the downfall of the Soviet regime and restoration of the monarchy. Others, of the non-monarchist peruasion, see hopes for a new regime of the Kerensky type.

Nazis Thought Superior

"It is the punishment of God," stated Lieut.-Col. Robisoff, once an officer in the Imperial Russian Army. "The Soviet army was defeated before it entered the battle. It has no chance of standing up to the perfectly trained enemy who have on the average 200 officers for every 1,000 men as compared with 15 or twenty on the Soviet side. Every German more is carefully planned, whereas the Russians will charge blindly without any semblance of order. But the thing that will defeat the Soviet army is the fact that their arms are not blessed by God, but are red with the blood of innocent victims."

The hope of the old Russian officers, as expressed by Lieut.-Col. Robisoff, is that the old Imperial rule will be restored. They are sorry Russian blood must flow when revolution comes—as they firmly believe it will —but they think nothing must stand in the way of restoration of the old order, even through a German victory over Russia.

Pogroms Promised

The grim specter of the anti-Jewish pogrom was conjured up by one of the more rabid Monarchist officers, once in the Imperial Russian Navy, who would not permit his name to be used. "For every Russian who dies in the imminent revolution," he declared, "two Jews will give their lives. In the old pogroms we only scared the Jews and scattered their belongings. This time we will slit their gizzards and take their property." The anti-Jewish pogrom, which was a regular feature of the old Tzarist system, entirely disappeared under the Soviet regime. The Soviet Criminal Code makes anti-Semitism a crime punishable by severe penalties.

Professor M. P. Golovacheff was more moderate. "We hope," he said, "that the Soviet Government will be dislodged from its gory seat, but we do not want Russia to lose the war. We still remember the Brest-Litovsk Treaty between the Bolsheviks and the Germans which gave the latter the upper hand over us in 1918, and we want to avenge it. We do not want Russian blood to flow, yet the Soviet leaders must pay with their heads for the innocent blood in which they have drowned their vulgar passions."

Soviet Sympathizers Paint up German School

Shanghai Nazis were surprised and annoyed on Wednesday morning of this week when they discovered the walls of their Kaiser Wilhelm Schule decorated with anti-Hitler slogans and Soviet emblems. Soviet citizens or sympathizers had done the job the night before, with red paint.

Wang, Konoye Proclaim Resolve to Strive for New Order in East Asia

Vigorous efforts will be exerted by the Tokyo and Nanking governments toward realizing the great task of reconstructing East Asia, declared a joint statement issued on June 23 by Premier Prince Konoye and Wang Ching-wei, head of the Nanking Government.

The Japanese Government will give increasing aid to enable the Nanking regime to show freedom and independence and thus to participate equally in establishing the "new order," the statement added.

The joint statement is largely based on the "three principles" enunciated by Prince Konoye in 1938, namely, good neighborly and amicable relations, common defense against communism, and economic collaboration.

Eradication of Evils

"The meaning of the establishment of the new order in East Asia lies in the eradication of the evils of aggression and communism in East Asia, and the establishment of states of mutual co-operation, co-existence and co-prosperity," the joint communique declared.

Answering questions put to him by foreign correspondents, Wang Ching-wei declared in Tokyo on June 21, that "foreign powers which failed to offer friendship to Nanking could not expect Nanking to accord full respect to their legitimate rights."

He criticized foreign assistance to Chungking as delaying peace in China which, he said, was essential for proper protection of foreign interests.

Mr. Wang hinted at the possibility of closer relations between Nanking and Moscow. He promised co-operation with the Axis, together with Japan and Manchoukuo, and said he expected German and Italian recognition of his regime.

One Thing and Another

Referring to the Soviet-Japanese neutrality pact, Mr. Wang said: "For the past several years we have repeatedly pointed out that it is one thing to be anti-Comintern and quite another to be on friendly terms with the Soviet Union." He did not believe there was any real cooperation between Chungking and the Chinese Communists, although the two parties were continuing their resistance against Japan.

Mr. Wang said the Nanking regime had adopted towards Chungking an attitude of "great patience and great expectation, hoping that Chungking would eventually make common cause in endeavoring to achieve the rehabilitation of China and the reconstruction of East Asia." He claimed that the majority of Chinese were gradually coming to recognize the necessity of peace between China and Japan and the possibility of this materializing.

His view of totalitarianism was that "Nanking was weighing the faults of the old Democracies against the totalitarians with the idea of achieving an ideal balance, although the Three People's Principles were paramount."

Greater Scope Sought

When asked to comment on the current demand for stronger Nanking-Tokyo co-operation, Mr. Wang said emphatically that such co-operation already existed. The pending need, he said, was only to enhance it in manner and scope.

He added: "We hope to receive from Japan help in technical coordination, industrial co-operation, commercial reciprocity, and cultural intercourse even in the orientation of foreign policy, and assistance in building up an army."

"While expecting assistance from Japan, we must make positive efforts in order to survive and become independent," Mr. Wang added.

Mr. Wang asserted that Nanking would welcome United States abolition of extraterritorial jurisdiction in China, and also revision of Sino-American treaties.

No Discrimination?

He also declared that if any foreign nation ignored or misrepresented the principle of equality and reciprocity which formed the fundamental principles of Nanking's commercial relations with other countries, the Nanking regime would be compelled to interpret that as not wishing to maintain friendly relations with Nanking. "Otherwise no restrictions or discrimination are contemplated," Mr. Wang declared.

Writing in the financial columns of the *Shanghai Evening Post & Mercury*, Mr. John Ahlers, well-known economist, predicted that "it is obvious that Wang at present aims at new arrangements with Japan not primarily in the military and political spheres, but in economic matters.

"It is an open secret that Wang's co-operation with the Japanese military authorities in China has not been a happy one. In Central China, the military have snubbed Wang and do not even allow him a free hand within the minimum limits of his Nanking Treaty, signed with the Tokyo Government on November 30, 1940.

"The Japanese military in everyday activities in North China do not appear to take into account the existence of the Nanking regime," Mr. Ahlers declared.

Wang's Complaints

"Among Wang's chief economic and financial complaints are matters concerning his new Central Reserve Bank notes."

Mr. Ahlers added that the military yen remained the exclusive means of payment for railway fares and freight charges, as well as for water transportation throughout Wang's nominal sphere of power. The field of Japanese-controlled commodities, saleable in military yen exclusively, had been further extended this year. In Hupeh, Fukien and Kwangtung provinces, the Japanese military do not permit C.R.B. note circulation at all. In North China, the Peiping Federal Reserve Bank takes no notice whatever of the creation and operation of Nanking's Central Reserve Bank, the article asserted.

The turnover of all major commodities in Kiangsu, Chekiang, and Anhwei, in exports as well as imports, the author pointed out, was strictly controlled by the Japanese military.

Mr. Wang's other legitimate complaints included the non-transfer to Chinese management of Japanese-controlled Chinese industrial, mining and commercial enterprises, the non-execution of the modification in the evaluation of original assets of joint Sino-Japanese enterprises, the institution of Nanking-managed control of foreign trade, and the readjustment of transportation and communication matters, which are provided in the annexed protocol of the Nanking Treaty, the article concluded.

Force Inadequate

Commenting on Wang's visit to Tokyo, the *Kuo Min Hsin Wen*, official mouthpiece of the Nanking Ministry of Police, editorially declared that "we realize that Japan cannot depend on military force alone to solve the Sino-Japanese issue at this stage. Any results achieved by force

Wang Meets Matsuoka

Wang Ching-wei, head of the Japanese-controlled Nanking regime, meets Yosuke Matsuoka, Foreign Minister, in Tokyo on June 19 when Wang reached the Japanese capital on his second trip to "headquarters" since he assumed office.

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"Since it is not of much use to secure a direct solution by the continued exercise of military force, Japan has no alternative but to increase her support for the National Government at Nanking in order to bring the China affair to a satisfactory conclusion. Therefore, the future destinies of East Asia depend upon the present visit of President Wang," the journal concluded.

The *Central China Daily News*, official mouthpiece of the Nanking Ministry of Publicity, declared editorially on the same subject as follows:

The First Move

"As the people of East Asia have been trampled underfoot by British and American imperialism for over 100 years, the first move is therefore for Japan to assist the other countries in East Asia to become strong and healthy in her capacity as an advanced nation, so that they may share with Japan the responsibilities for the preservation of peace and order in East Asia.

"The builders of the new order of the world are fighting gallantly with those who want to preserve the old order. In view of this situation, the force of peace in East Asia has a most important effect on the political situation of the world. We must use this force of peace wisely so as to realize the ideals of the peoples of East Asia and facilitate the work for the restoration of world peace."

Axis Orders Closure Of U.S. Consulates

In retaliation for the closure of German consulates in the United States, Germany and Italy on June 19 ordered all United States consulates and American Express Company offices in Axis or Axis-controlled territory to close down by July 15. This order affects 105 American consular officials although some of them, holding dual consulate and embassy status, will not be forced to leave.

The German and Italian closure action came as no surprise to State Department officials in Washington. The Axis charged American consular employees with acting contrary to the interests of the German Reich and the Italian nation. A detailed list of alleged subversive activities was given, including the sketching of railways and buildings, the betrayal of German military intelligence to the enemy, and the taking of notes on economic conditions in Germany for use as anti-German propaganda abroad.

The closure move was first made by Hitler and duplicated by Mussolini, who received the worst of the bargain. The United States, to offset the Italian action against the seven American consulates in Italy, asked Mussolini to close all 49 of his consulates in the United States. The American demand is also to become effective by July 15.

Greatest discomfort to American residents in Italy, however, came with the June 16 freezing of all American funds in that country. Americans in Italy are now unable to draw any of their money from banks and can receive no credit. Fear has been expressed that they will not be permitted to leave the country until they pay all debts run up because of inability to withdraw funds from banks and American Express offices.

Included in the American order for closure of Axis consulates are Axis consulates in United States territories, namely Puerto Rico and the Philippine Islands. Immediately upon receipt of President Roosevelt's decree, the United States High Commissioner in the Philippines ordered the German consulate at Manila to shut down in accordance with the Chief Executive's demand.

Paper Shortage Causes Rationing in Japan

Because of the growing shortage of paper in the Island Empire, the Japanese Publishing Society sought and has received permission to institute a paper rationing system for magazines, newspapers and all other publications, *Domei* reported on June 20. At the same time, the Ministry of Commerce and Industry proposes to establish further control over paper supplies by prohibiting the sale of paper and pasteboard by other than "recognized" manufacturers.

Nazis Launch Massive Attack on Soviet Russia; Allied Troops Take Damascus, Palmyra

Without warning, and in clear violation of the German-Soviet pact of non-aggression concluded in August, 1939, Nazi forces estimated at 150 divisions and 3,000,000 men, including Panzer units aided by fleets of bombing, fighter and dive-bombing planes, were flung against Soviet Russia's European borders along a 1,500-mile front stretching from the Baltic to the Black Sea early last Sunday morning, June 22.

By the middle of this week, the German armies were reported to have thrust 50 to 60 miles into Soviet territory at some points along the front. Brest-Litovsk, where Russia signed the humiliating treaty with Hohenzollern Germany in 1918, fell before the German advance. Main forces of the contenders were beginning to get to grips, with both sides claiming initial successes.

According to Plan

According to the German High Command, operations are proceeding "as planned." Moscow asserts that the Red Army is hurling back the waves of German attackers and inflicting terrific losses on them. Moscow claimed the destruction of 300 Nazi tanks and the capture of 5,000 German prisoners.

Soviet planes have bombed towns in East Prussia, while Nazi planes have blasted Soviet Black Sea bases at Sevastopol and Odessa, besides carrying out raids on Soviet bases in the Baltic states.

Military observers view the Nazi offensive against Soviet Russia as taking the form of a three-pronged drive, one from the direction of East Prussia, designed to cut off and isolate Lithuania, Latvia and Esthonia, the second from Poland and Rumania into the Ukraine and White Russia. The third, a center thrust, is aimed at a double skirting of the treacherous Pripet marsh country for a march on Moscow.

Berlin quarters have expressed confidence that the campaign will end in a German victory within two months. The precise objectives of the Nazis have not been stated. Their apparent aim, however, is to encompass the overthrow of the Soviet regime, occupy the Ukraine and the Caucasus region (oil), and establish a reactionary and subservient government in Moscow which will insure Russia's inclusion in Germany's "new order" in Europe. With these aims accomplished, Hitler expects to have Russia's huge resources at his disposal for continuing the war against Britain to victory.

British Aid Pledged

Prime Minister Winston Churchill has pledged all possible British aid to the Soviets and this stand received endorsement in Washington where Mr. Sumner Welles issued a scathing denunciation of the Nazi attack on Russia, which he described as "treacherous." Speaking in the name of President Roosevelt, Mr. Welles said that all forms of dictatorship were inimical to the American way of life, but that the immediate task was to halt Hitler's march. He welcomed Soviet resistance to the Nazis as conforming with this task and indicated that the question of American aid to Russia would receive sympathetic consideration. The Mexican government also condemned the Nazi invasion of Russia.

Finland and Rumania are standing in with Germany in the new war in the hope of regaining territories seized from them by Soviet Russia last year. Italy has declared war on Russia, and Germany's puppets in Central Europe—Hungary and Slovakia—have joined the Nazi cause.

Meanwhile the battle for Syria, where British and Free French forces are attempting to wrest the Arab territory from the clutches of Vichy, has been overshadowed by the great campaign in eastern Europe. After Allied armies had captured ancient Damascus, from which the Vichy forces had withdrawn in order to spare the city from destruction, British troops advancing from Mesopotamia swept on to the capture of Palmyra, key point on the Syria-Iraq highway, which was invested on June 23.

Germany's New War Front in the East

North-China Daily News map.

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The main Allied attack on France's colony is now directed against the port and naval base at Beirut. British naval units have apparently abandoned plans to force the harbor from the sea and efforts are being made to reduce it through incessant bombing by Royal Air Force planes.

For the rest, the war is being continued in the west by the Royal Air Force, which is conducting incessant raids on vital points in Germany and German-occupied Belgium, Holland and France. German raids over England, in view of Hitler's preoccupation with Russia, have dwindled away to almost nothing.

F.D.R. Scores Nazis For Sinking Ship

In his most bitter attack against Germany to date, President Roosevelt on June 20 charged the German Government with attempting to drive United States shipping off the high seas by the ruthless sinking of the American freighter Robin Moor. He further proclaimed that the United States would not yield to such outrageous and indefensible acts of international outlawry, but did not disclose the means which would be used to resist threats to American sea-borne commerce.

The President, in a special message to Congress, alleged that "we must take the sinking of the Robin Moor as a warning to the United States not to resist the Nazi movement toward world conquest. It is a warning that the United States may use the high seas of the world only with Nazi consent."

He further stated that the "total disregard shown for the most elementary principles of international law and humanity brands the sinking of the Robin Moor as an act of international outlawry.

"Were we to yield in this, we would inevitably submit to world domination at the hands of the present leaders of the German Reich. We are not yielding and we do not propose to yield," his message stated.

He also accused the Nazis of attempting to intimidate the United States into a course of non-resistance by "such infamous acts of cruelty to helpless and innocent men, women, and children."

The Chief Executive went on to say that America holds Germany responsible for the sinking and will demand full reparations for losses and damages suffered by American nationals.

Dealing lengthily with the failure of the submarine to declare its nationality and to provide protection for the ship's crew and passengers, President Roosevelt called attention to the fact that the ship was sunk within 30 minutes from the time the first warning was given and pointed out that passengers and crew were afloat in small lifeboats for approximately two to three weeks before they were accidentally discovered and rescued by friendly vessels.

The President charged Hitler with using the Robin Moor sinking as a first step to seize control of the high seas in an effort to interrupt American trade with all friendly countries.

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Japan Gets Borneo Oil Concession As U.S. Controls Petroleum Exports

An unexpected sequel to last week's breakdown of economic negotiations between Japan and the Netherlands East Indies was a report on June 20 by *United Press* that the N.E.I. government had granted Japan an oil concession of nearly 700,000 acres on the island of Borneo.

This report coincided with the action of President Roosevelt in placing all petroleum products in the United States under a rigid export control system and with an announcement in Tokyo that Vice-Admiral Masazo Sakonji would sail for northern Sakhalin on July 12 to negotiate with the local Soviet authorities regarding Japanese oil concessions in that territory.

News of Japan's new concession in Borneo was attributed by *United Press* to "reliable sources" in London which said that the agreement between Japan and the N.E.I. recognized the oil-bearing Manghalihat Peninsula in Borneo as being within the sphere of interest of the East Borneo Company, a Japanese concern. The company was also granted prospecting and oil rights in the Sangkoelirang region, the informants said.

Must Get Licenses

The export licensing of American petroleum products means that Japan, Russia and all other countries not specifically exempted must apply for licenses before they will be able to purchase and export from the United States any type of oil or oil product. Inauguration of the licensing system followed the action of Secretary of the Interior Harold L. Ickes in halting a shipment of 252,000 barrels of oil lubricants to Japan by the Japanese tanker Azuma Maru, which was about to load at Philadelphia. The tanker had to leave the American port with her tanks empty.

Secretary Ickes announced that halting of the shipment involved no question of international policy, but was connected with a threatened oil shortage on the east coast of the United States. The President's subsequent licensing order, however, gives the Administration blanket authority to control all future exports of oil. It was intimated that there would be no curtailment of oil shipments to the British Empire, Egypt and Ireland.

On June 19, one day before the licensing order was issued, two prominent Americans in Chungking sent a telegram to President Roosevelt, urging a complete embargo in further oil shipments from the United States to Japan. Signatories of the telegram were Mr. George Fitch, head of the Y.M.C.A. in China's capital, and Mr. W. S. McCurdy, veteran Methodist missionary.

Cannot Understand

"Chungking Americans," the telegram read, "cannot understand the continued sale of gasoline and oil to Japan. How can we escape responsibility for recent bombings when thousands perished here, the American Methodist Hospital was destroyed, the offices of the American Military and Naval attaches offices were damaged, the U.S.S. Tutuila threatened, part of the new model village erected with American Red Cross funds wrecked, and for the destruction of countless other lives and cities—all enabled by the use of our gasoline and oil." This protest and appeal came on the heels of recent heavy bombings of Chungking by the Japanese air force.

Meanwhile, although the Japanese Government has refrained from any bellicose utterances with regard to the breakdown of Japan's negotiations with the Netherlands East Indies, the press of Japan has not been anything like calm. In leading editorials on June 22, the *Kokumin* and *Chugai Shogyo* both urged Japan "not to waver in her foreign policy despite Anglo-American-Chinese cooperation in the Pacific against Japan." The *Kokumin* declared that the N.E.I.'s "haughty attitude" could be attributed to the misconception that Japan lacks the courage to fight the combined British and American fleets in the Pacific. All Japanese papers, without exception, blamed the N.E.I. (not Japan's excessive demands) for the breakdown in the Batavia parleys.

The *Hochi* considered that Japan had lost "face" through her failure to force the N.E.I. to comply with her demands and that her situation in southeastern Asia had appreciably worsened as a result. Said the paper: "The negotiations between Japan and the Dutch East Indies failed. French Indo-China is showing a reluctance to export rice to Japan. As a result of Britain's pressure, Thailand is displaying an extremely watchful attitude toward Japan. It is clear that British Malaya, the Dutch East Indies, New Zealand, Australia and the Philippines constitute a united defensive line against Japan."

Announcing the breakdown of the Batavia parleys, the Cabinet Information Board in Tokyo said that the withdrawal of the Japanese delegation meant neither the abandonment of Japan's "just and fair contentions" nor any change in normal relations between Japan and the N.E.I.

Mr. Kenkichi Yoshizawa, leader of the Japanese delegation, was scheduled to sail from Batavia for Japan at the end of this week by the Nissyo Maru. The rest of the delegation will leave later. A farewell banquet for the delegation was given by the governor-General of the N.E.I., Mr. T. Van Starkenborgh Stachouwer, on June 20 in Batavia.

Japanese Women, Children To Leave Moscow

The Japanese Embassy in Moscow has ordered the evacuation of all Japanese women and children from the Soviet capital because of the outbreak of the Nazi-Soviet war, *Domei* reports. Japanese women residents of Moscow number only 11, and are the wives of embassy officials and newspaper correspondents, it was stated.

Britain Cedes China Territory in Burma

Two thousand square kilometers of territory, hitherto part of British-dominated Burma, were ceded to China under the terms of a frontier delimitation agreement signed at Chungking on June 18. The agreement also gives Chinese the right of participation in mining enterprises in Burmese territory to the extent of 49 percent of the total capital of each enterprise.

Signatories to the agreement were China's foreign minister, Dr. Wang Chung-hui, and the British Ambassador to China, Sir Archibald Clark Kerr.

Welcoming the agreement, the official government organ in Chungking, the *Central Daily News*, said China was extremely appreciative of the goodwill shown by the British and Burmese governments. "We value British friendship much more than the gaining of 2,000 square kilometers ....China and Britain are friends in distress and conquering common difficulties in a spirit of mutual confidence."

Pointing out that the Sino-Burmese frontier demarcation issue has been outstanding for half a century, the local Shun Pao viewed the agreement as an indication that Britain would be ready to abolish her unequal treaties with China in connection with post-war world reconstruction.

Bloodless Coup d'Etat Reported in Tahiti

A bloodless coup d'etat resulting in the capture of the government of Tahiti by a group in sympathy with the Free French cause, was reported in Los Angeles by passengers who disembarked from the s.s. Monterey last week. Coming from Papeete, the main port of the French island colony in the southeastern Pacific, the passengers, according to *Domei*, said that the insurgent regime had driven out alleged sympathizers with the Nazis who had been ruling the the island and jailed 22 of them.

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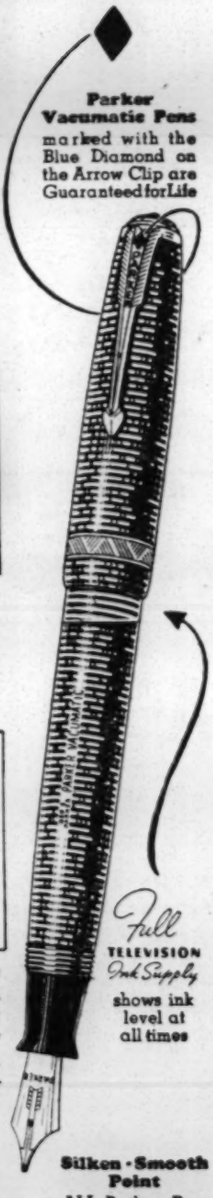

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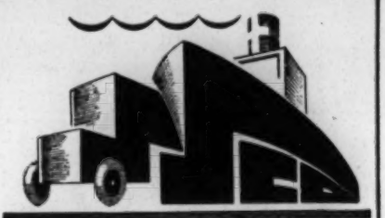

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Chinese Villagers Defeat Japanese Invaders at Chuki, in Chekiang

BY HENRY LIM

When Japanese forces first captured Chuki, a strategic town in eastern Chekiang, last September, they backed out after only a brief period of occupation, and Chinese troops soon recaptured that town which is the gateway to the interior regions of Chekiang. This year again, in mid-April, the Japanese army successfully attacked Chuki, but once again they did not hold it for long, and on May 20 the town was again in Chinese hands.

The retention of Chuki by Chinese forces means that key interior cities such as Kinhwa, important railway junction, and Yungkang, provisional capital of Chekiang Province, are for the time being secure from Japanese attack. But what made the Japanese position in Chuki untenable, and what caused her army's failure to hold it? Here is something worthwhile revealing.

Repelled the Taipings

To understand the patriotic character of the Chinese peasants who inhabit and till the mountainous land of Chuki, one has to go back to the early 1860s, when a well-organized but ill-armed force of Chuki villagers, notably in the village of Pao, warded off the terrific assaults of the Taiping rebels for a period of almost two years. No regular troops came to their aid. They used every device of defense that they could conceive, and their weapons were crude and homemade. Above all, they were commanded by superb leadership. But at that time these peasants were not fighting against a foreign invader. They fought only for their recognized government and against an unwelcome ruler.

In 1940 and 1941, the same scenes were almost re-enacted. The conquering Japanese army must have found out to their bitter experience that at Chuki they stood exactly where the Taiping troops failed 80 years ago. They must have learned that a great number of villages were nests of inhospitality and of resistence, and that every villager was a potential enemy. The mountain people of Chuki have not changed their character, and the Japanese invasion revived their warring spirit.

Tough Villagers Fight

Although it was never reported in official news dispatches, it has been reliably stated by eye-witnesses that the recapture of Chuki last month must be largely credited to the active resistance of local peasants against Japanese warriors. The Chinese regular forces had retreated upcountry, but the tough inhabitants of many a mountain village, refusing to give up, received the Japanese with iron and blood. Every one was eager to trade a life for a Japanese life. When organized resistance was impossible, the farmers would snipe at Japanese soldiers with crude firearms, or more frequently assault them with knives, hoes or bars. One Japanese soldier was known to have lost his eyesight after two Chinese approaching from behind, forced handfuls of quicklime into his eyes.

Employ Chinese Mercenaries

The Japanese troops are well-armed and well-equipped. It ought to be an extremely easy task for them to crush the resistance of the practically unarmed peasants. But as it was the Japanese army did not have enough men. Since their forces were thinly spread over the entire fighting front of eastern Chekiang, they could not send out sufficient forces to mop up every village. To send a small number of soldiers to a village was to invite disaster, as the villages often took united action against the intruding Japanese. The alternative was to let Chinese mercenaries do the work, and this proved a big mistake.

The Chinese mercenaries never served the Japanese army because they loved to fight for them, but for money. When they met the determined and desperate defenders of Chuki's farmlands, these hirelings valued their own safety much higher than a Japanese victory. When these Hessian forces were being defeated by the peasants, who made great sacrifices, the Chinese regular army joined and closed in, and the result was the second defeat of the Japanese army at Chuki in less than one year.

Railway Now Safe

The Japanese forces hurriedly withdrew from Chuki city in the afternoon of May 20. From that day on, the entire length of the Chekiang-Kiangsi Railway has been safe. The Japanese had evidently planned to use Chuki as a spearhead from which to seize the whole of that important railway, but they miscalculated the strength of local resistance.

Chuki's agrarian resistance of last October was even more spectacular. According to reliable report, after the Chinese forces had withdrawn, nearly 30 villages organized a united defense system of their own. Every male of fighting age was called out for service, and they fought stubbornly, although ill-armed. They even sent delegates to a Chinese commander to ask for help, or at least for a loan of light arms. The result was that when Chinese forces counter-attacked later, army and yeomen fought side by side, with the latter volunteering to bear the brunt of battle in the forefront. The Japanese were driven out.

American Girl Flies Bomber to England

Miss Jacqueline Cochran, famous American aviatrix who established a world's air speed record over a 2,000-kilometer course in 1940, and who won the Bendix transcontinental air race from Los Angeles to Cleveland in the same year, last week became the first woman to fly a bombing plane from North America to England for use by the Royal Air Force. She reached London after her trans-Atlantic flight on June 20.

'Doomed Battalion' Murder Trial Ends

The long-delayed trial of ten Chinese ex-soldiers charged with the murder of Colonel Hsieh Tsin-yun, commander of the famed "Doomed Battalion," ended on June 20 at a secret session of the First Special District Court in Shanghai. Judgment was reserved indefinitely.

The ten defendants are all inhabitants of the "Doomed Battalion" internment camp on Singapore Road. Only one, Hoo Tsing-tsong, admitted intent to kill the commander. He testified that he had been confined in the camp prison for two months for infractions of discipline and that he had planned the murder as an act of revenge. He denied that any persons outside the camp had bribed him.

Three others of the accused, Chang Kou-zung, Yu Yao-liang, and Chang Wen-ching, had been arrested with knives in their possession but pleaded not guilty to the murder charges. A fourth, Chow Saw-san, was carrying an iron bar in his hand when loyal soldiers overpowered him but likewise denied guilt.

The five other internees who faced trial were arrested because they participated in the fight when the camp was thrown into confusion following the attack on Colonel Hsieh. They also denied the murder charges.

During the trial, Major Shian, who was seriously wounded in an attempt to save Colonel Hsieh, reported seeing five of the ten accused with either knives or iron bars in their hands when he rushed to the aid of his senior officer.

It will be recalled that the late Colonel was murdered at the camp on Singapore Road by soldiers of the "Doomed Battalion" on April 24 when he was leading them in morning exercises. His attackers struck from behind.

German Residents in Manila Said Stranded

At least a dozen German residents of Manila who were planning to return to Germany, have been stranded as a result of the outbreak of the Nazi-Soviet war. They intended to return home via Japan and the Trans-Siberian railway and already had booked steamship passage to Japan when the hostilities commenced.

On Monday of this week, the Japanese Railway Ministry announced the suspension of all passenger and freight service to Europe via the Trans-Siberian, but the Ministry is negotiating with the Soviet authorities for a continuance of such services between Japan and the Soviet Union.

Tokyo newwspapers, commenting on the closure of the last remaining trade route to Europe, urged the Japanese government to adopt a better planned foreign trade policy and to strive for the self-sufficiency of the yen-bloc area.

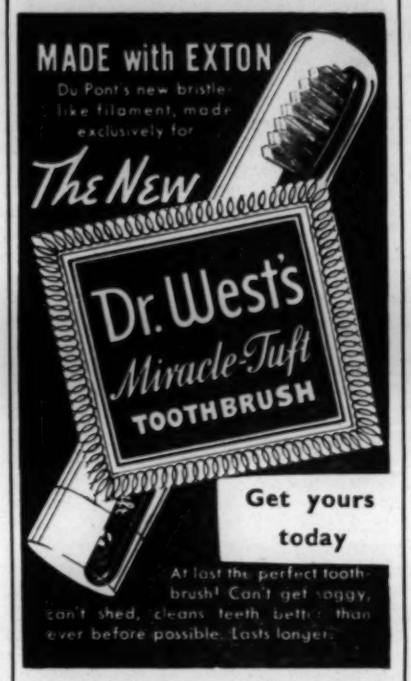
34 Die in U.S. Submarine Loss

The second United States Navy submarine disaster within two years occurred on June 20 when the submarine 0-9 failed to come to the surface after routine diving practice off the New Hampshire coast. Hope of rescuing the crew or of salvaging the craft has already been abandoned because of the depth to which the ship sank.

Soon after the 0-9 was reported missing, the rescue ship Falcon proceeded to the shoals where the submarine had been operating, located the sunken vessel by discovering oil slick, floating cork, and bubbles. Undersea soundings later gave exact location of the ship and revealed that it was lying 444 feet under water. The great pressure on the vessel was believed to have crushed its steel hull.

The Falcon, in a salvage attempt, scraped the submarine's hull with grappling hooks but was unable to move her. A diver was sent down but had to return to the surface because of breathing difficulties below 370 feet. Owing to the great depth, none of the crew could use the Momsen "lungs" which had saved the lives of 33 of the Squalus' sailors.

The 0-9, commissioned in July, 1918, was one of the oldest submarines in the navy. The 480-ton vessel was decommissioned in 1930 but recently restored to service. It carried a crew of 2 officers and 32 men at the time of the disaster.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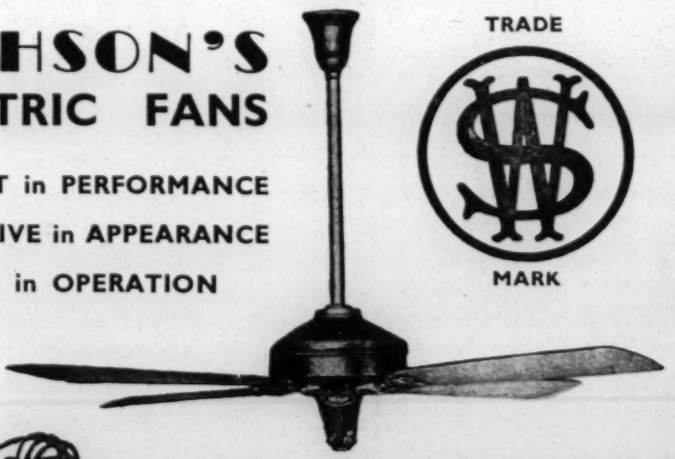

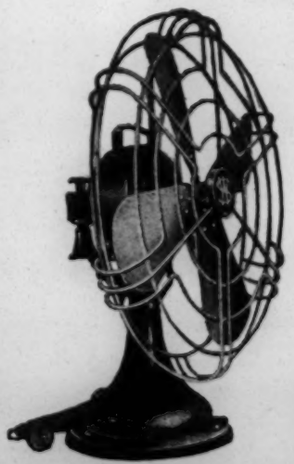

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(Continued from Page 113)

route even to Port Said in the Eastern Mediterranean is under 9,000 miles, and 15-knot ships making this passage take take practically the same time that 10-knot convoys would from New York making the riskier passage via the Straits of Gibraltar.

Pernambuco, with limited harbor space but sufficient water to handle some air-transport traffic, is only 2,700 miles from the port of Victoria in the British mandate of the Cameroons. From there the flying distance to Lake Chad is only 600 miles, and from there to the Anglo-Egyptian Sudan another 600. Granted even that Argentina and Brazil did not cooperate in any extensive transport scheme, we still have Trinidad, perhaps the finest harbor in the world for assembling an unlimited number of ships, an anchorage ground approached through only two entrances, easily defended. The use of Trinidad as a base only increases the distance to the Cameroons by 1,300 miles, and to Port Said by 2,000 miles.

On the Pacific front, from Seattle to San Diego, flanked by Alaska and the Canal Zone, with the Hawaiian Islands at the front, our position is unexcelled for production and transport. No country in South America touches it even in sea mileage. From Petropavlovsk-Kamchatskii in the north, 1,860 miles from Honolulu, to Auckland, New Zealand, in the south, 3,860 miles from Hawaii, we can practically control this sea area. Even Singapore is only distant 6,100 miles.

Nevertheless, the protection of sea traffic over the routes infested by submarines and frequented by raiders is better handled by joint agreements with the British than by independent operation.

Springtime And Children's Health.

To many children, Spring is a time of difficulty. The change in weather conditions and the fickleness of the temperature affect them; they get off colour, fall victim to colds, and to stomach and bowel troubles.

To correct such health irregularities, parents should remember to keep Baby's Own Tablets always handy. The gentle laxative action of these Tablets tones up the stomach and internal organs generally. At the first sign of irregularity in the natural functions, the child should be given one or two of these pleasant-tasting little tablets which all children take without any persuasion. Baby's Own Tablets are guaranteed harmless and to contain only those ingredients which are known to prove beneficial for children's ailments. Baby's Own Tablets ease croup and relieve colds, reduce simple fevers, check diarrhoea, expel worms and settle any abnormal conditions in stomach or bowels. During teething they are exceptionally helpful, easing pains and thus enabling baby to enjoy health-giving sleep. All chemists can supply you with Baby's Own Tablets.

American Nurse Makes Arduous Journey

Miss Gladys Schwake, an American nurse from Buffalo, New York, recently made the trip to Batang on the Chin River, one of the upper branches of the Yangtsze on the border of Tibet, from Tatsienlu in Western Szechwan. The trip was made by pack train over the mountains and required 20 days. The pack train was accompanied by a special military guard provided by Colonel Fu, who is commander of the frontier Chinese garrison at Batang. The trail from Tatsienlu crossed three passes, two of which, known as Jedo and Gazhi, are more than 15,000 feet high, while the other, the Rama Pass, is 16,000 feet high. According to the Tatsienlu correspondent of the **North-China Daily News**, Miss Schwake has done more traveling on the Tibetan border than most missionaries. She was accompanied by a Tibetan maid, slept in a tent, and did her own cooking. She had many narrow escapes from bandits. On one occasion she and her Tibetan maid were robbed of all their property including most of their clothing. Miss Schwake works with an American missionary family at Batang, named Nichols.

New Governor Said Named for Hongkong

Sir Mark Aitchison, present govner and commander-in-chief of Tanganyika, former German colony in East Africa, has been appointed to the governorship of Hongkong, according to a *Transocean* report from Stockholm on June 18. He will replace Sir Geofferey Alexander, who is retiring for reasons of ill-health, the German agency said.

Japanese Reserve Officer Deported from U.S.

Itaru Tatibana, Japanese reserve officer, attached to the Japanese Navy and stationed at Los Angeles, was ordered deported from the United States on June 21 on charges of espionage activities. Another Japanese named T. Kono, a former chauffeur employed by the Hollywood movie star, Charles Chaplin, was also arrested, but it was not known whether he would be brought to trial or deported. The two Japanese, according to **United Press**, were involved in the transmission to Japan of the results of a secret target practice held by the USS Phoenix. It was at first planned to bring both Japanese to trial, but representatives of the State and Justice Departments and the Bureau of Immigration, and the Japanese Embassy, following a conference, decided upon deportation.

Japanese Seek to Buy General Hospital

The Central China Railway Company, Japanese concern, which operates the former Chinese Government railways in Central China, has opened negotiations with the authorities of the International Settlement for the purchase of the old General Hospital, located on North Soochow Road in the Hongkew section. The report stated that the Japanese railway concern had appropriated the sum of Y600,000 for the erection or purchase of a hospital. The great number of wrecks in recent weeks caused by guerilla activities which have resulted in numerous casualties, has been responsible for the decision of the railway authorities to develop hospital facilities, according to reports in Chinese circles.

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Chinese Newspaper Employee on Nanking Blacklist Shot Dead Here

Sole victim of Nanking-inspired terrorism in Shanghai this past week was Mr. T. Y. Lee, "black-listed" assistant business manager of the *Ta Mei Wan Pao*, Chinese edition of the *Evening Post and Mercury*.

Mr. Lee, walking unprotected down the French Bund near Avenue Edward VII, was suddenly shot from behind by an unidentified Chinese gunman on June 23. The Nanking agent, in ringing up one more successful murder of "black-listed" Chinese newspapermen, shot his victim in the back of the neck, killing him almost instantly. Then the gunman made good his escape in the crowd.

Short-lived Freedom

The victim had only two months ago begun to walk freely on the streets after hiding out in the Post-Mercury office for more than a year. He apparently thought that the danger of such Nanking atrocities had passed.

Mr. Lee was a close associate of the late Mr. Samuel Chang, a director of the Post-Mercury Company, who fell victim to Nanking terrorists in the spring of 1940.

Another political slaying occurred off Hungjao Road on June 23 when a band of 10 armed Chinese guerillas fatally shot Teiko Sada, an employee of the Japan Tourist Bureau, and seriously wounded a Japanese motorist.

Sada was killed by seven bullets received when he went to the rescue of a Japanese motorist who was being detained by the guerilla band. The 20-year-old Tourist Bureau employee was with a party of Japanese cyclists at the time, but was the only one of the group to go to the aid of the motorist. The other members of the party fled to cover.

Student Kidnapped

The kidnapping of Loh Wen-wu, a St. John's Middle School student, on June 21 at the entrance of Jessfield Park, again focuses attention on the unmitigated lawlessness flourishing in the Nanking-policed Western District of Shanghai.

The abduction of Loh, staged in broad daylight, occurred in full view of tens of fellow-students and bus employees. The kidnappers, four in number, forced the youth into their car at the point of a mauser pistol with little concern for the numerous spectators. They then fled in a westerly direction.

Loh was on his way to early morning classes with a university student when the gangsters seized him. He is believed to be held for ransom. This is the second kidnapping to hit St. John's University within the month. It will be recalled that Mr. Sze, registrar of the University, was abducted, presumably with City Government consent, about two weeks ago and has not yet been released.

Policemen Killed

Two Chinese policemen of the Greater Shanghai Public Safety Bureau were found murdered in Chinese territory near Hungjao Road on June 20. Nanking authorities attribute their deaths to Chungking activity near the city.

Meanwhile, two Chinese bomb-carriers were seriously injured by their own bomb when it exploded underneath them in Hongkew Park on June 18. The terrorists had evidently stopped in the park with their "infernal machine" and were gambling with money received for disposing of the package when it suddenly exploded.

One of the victims had an arm blown off while both suffered severe wounds in the body. Japanese Special Naval Landing Party members, rushed to the spot, took them off for questioning.

From Macao comes the report that Mr. Chiu Yat-ngok, recently appointed magistrate of the pro-Wang Ching-wei administration of Chungshan district, was shot and killed by an unknown Chinese gunman on June 16.

Mr. Chiu had just arrived in Macao from Shekki for the purpose of visiting Japanese Admiral Soyeshima, when the gunman fired four shots at point-blank range, causing his instantaneous death. The gunman escaped.

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Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of The Review.

June 8

Heavy fighting is still raging in the Taiyoshan in southeastern Shansi where Chinese 98th Army and 27th Army units are engaging the Japanese in the mountains to the north of the highway between Yuanchu and Chiyuan and also along both sides of the highway between Tungliu and Kaoping, report from **Reuters** stated, adding that a daily artillery duel was staged by the Chinese and Japanese batteries across the Yellow River.

Fighting is also going on, the report continued, in southern Hupeh in the Taimoushan to the southeast of Hsienning and the northeast of Tungshan, which is the base of the Chinese mobile forces controlling communications between Kiangsi, Hupeh, and Hunan provinces.

Brigadier-General Henry Claggett, Lieut.-Col. Harold George and Commander Edward McDonnell, U.S. Army and Navy officers, who had been on an inspection in Chungking for three weeks, arrived at Hongkong, according to a **Domei** report. "We came, we saw, and we were surprised," Brigadier-General Claggett was reported to have told newspapermen. "China really has an air force."

Brigadier-General Claggett, however, declined to discuss the purpose of his visit other than to say that the party had merely come to see and study what China had in the way of an air force and aviation facilities. The party described the Chinese air force as "remarkably able."

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June 9

Chinese forces fought their way into Foochow, engaged the Japanese in street fighting, distributed pamphlets and then withdrew, the official **Central News Agency** declared. Foochow was entirely surrounded by Chinese forces, it added.

Official Chinese dispatches claimed that the Japanese attempt to cross the Yellow River near Paotow in western Suiyuan was thwarted by Chinese shore batteries.

The **Asahi Shimbun** reported that Japanese naval air units scored direct hits on and destroyed a suspension bridge at Peipankiang, strategic point on the highway between Chungking and Kunming, thus bringing about "complete intercepting of traffic."

Generalissimo Chiang Kai-shek is confident of ultimate victory over Japan if China receives aid from the U. S., stated Henry Luce, prominent American publisher, who returned to New York after having visited Chungking and other interior China points. Disclosing that China had received but little help from the U. S., he said that China particularly needs airplanes, pilots and artillery. Mr. Luce also declared that the Chungking air-raid shelters were "the best in the world," according to a **United Press** report from New York.

General Chiang Kai-shek oppointed a special committee to investigate the circumstances of the air-raid shelter tragedy on June 5, when hundreds died from suffocation during a night air raid. The committee includes General Wu Teh-chen, secretary of the Central Kuomintang, Chang Po-lin, chairman of the National People's Political Council, Kang Sin-ju, chairman of the Chungking People's Political Council, etc. Another special committee was also established for the improvement of dugout equipment and management.

Domei reported that 700 Chinese Communist troops, including a regimental commander, have been killed or wounded in a bitter clash with the Kuomintang central forces in a sector to the south of Yenan, Communist stronghold in Shensi Province.

The report added that the Chungking High Command ordered all the Communist forces under General Siao Ching-kwang, now in the Yenan sector, to go to the aid of General Wei Li-huang's army which was practically annihilated in recent Shansi battles with the Japanese. The alternative to a march into Shansi to assist Gen. Wei was immediate disarmament.

Japanese naval planes heavily bombed Tunglan, strategic Chungking base on the Kweiyang-Nanning supply route, as well as Henghsien, base on the Pakhoi-Liuchow supply line, causing widespread damage, the Press Section of the Japanese Fleet in the South China Seas announced, according to **Domei.**

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June 10

Residents of Chungking, supported by local newspapers, show indignation over apparent reinstatement of the dismissed officials allegedly responsible for the air-raid shelter tragedy on June 5, when 461 civilians lost their lives. The Catholic daily, **Yi Shih Pao,** declared that "the Government should strictly examine itself," adding that those who deserve the death penalty should be executed. The Communist organ, **New China Daily,** declared that Generalissimo Chiang's punishment of those guilty through nominal dismissal was not sufficient.

Two additional committees were appointed by Generalissimo Chiang Kai-shek to improve the management and technical equipment of air-raid shelters in Chungking following the tragedy. The management committee, headed by Ku Cheng-kang, Minister of Social Affairs, comprises civil and military authorities of Chungking. The technical committee is under the chairmanship of Chen Li-fu, Minister of Education, and consists of mining experts and civil and electrical engineers, **Havas** reported.

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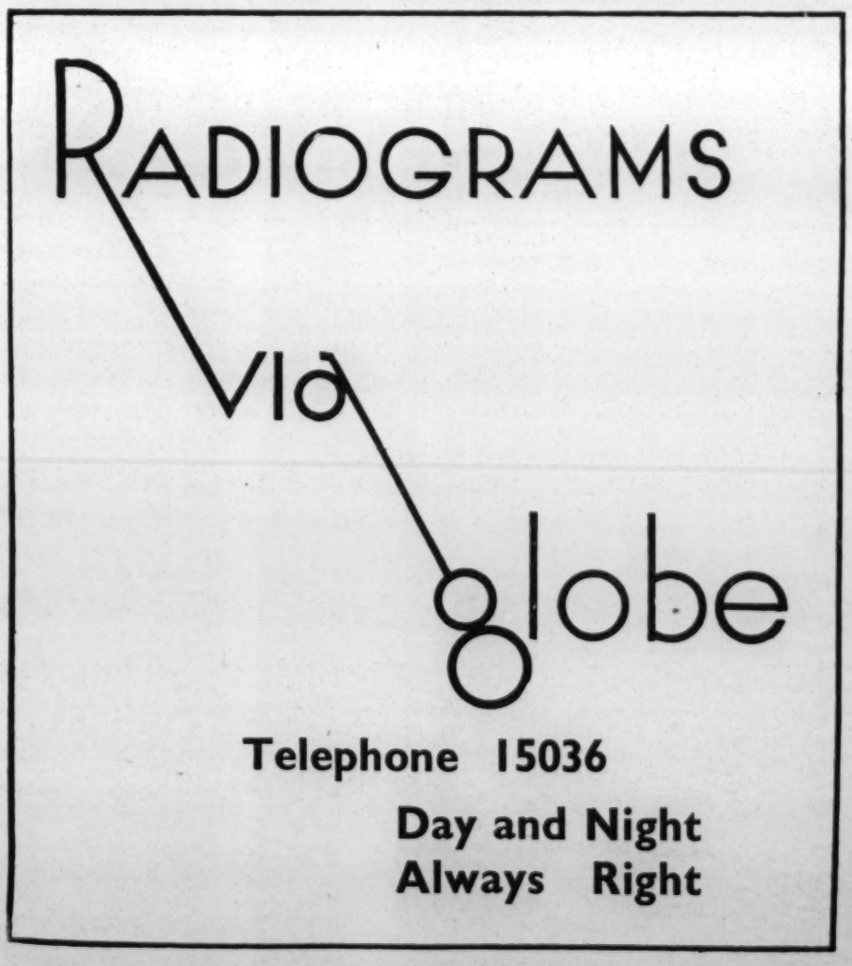
June 11

Chinese forces have gained complete control over the Foochow area while mopping up Japanese remnants in the Foochow suburbs, **Kuo Min** reported. According to a military dispatch from Fukien, Japanese troops in the Foochow area are retreating towards Mamoi, southeast of Foochow.

King Chau-mui, Chinese Consul-General at Honolulu, stated that more than 100 American-made pursuit planes had arrived in China and were already in action against the Japanese. He also claimed that the U.S. would send some multi-motored bombers to Chungking, adding that 100 American pilots stationed at Hawaii had volunteered for



service in the Chinese air force, according to **Domei**.

Reviewing the recent battles in the Chungtiao mountains, General Wei Li-huang, commander of the 14th Army, declared that the self-confidence of the Chinese troops has been greatly strengthened by their experience in the recent fighting.

Japanese naval bombers inflicted heavy damage in a two-hour air attack on Chungking, this raid being the ninth carried out this year and the fifth during June, according to a communique issued by the Japanese China Seas Fleet.

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June 12

The Japanese, at least for the present, are not expected to launch a major offensive in central Hupeh, for they could not throw into such offensive as many effectives as they did in south Shansi, estimated at about seven divisions, the Chinese military spokesman declared at a press conference in Chungking.

Further reports stated that, after shifting to outer positions, the Chinese forces in the Chungtiao mountains in southern Shansi are making a bold counter-attack on the Japanese on both sides of the Tsiyuan-Yuanku highway. Paipotou, south-east of Tsiyuan, was recaptured by the Chinese on Monday. Chinese artillery units at Kuangkowtu, on the south bank of the Yellow River, heavily bombarded the Japanese positions on the northern bank on Tuesday and succeeded in silencing two Japanese batteries, the report added.

Chinese troops concentrated at a point north of Shihtai, 80 kilometers east of Anking, in southern Anhwei Province, were suddenly attacked by Japanese naval planes and sustained about 2,000 casualties, according to a communique issued by the Press Section of the Japanese China Seas Fleet, said **Domei**.

A squadron of nine Japanese airplanes again raided Hengchow (Hengyang), eastern Hunan, causing huge fires which were quickly brought under control, **Kuo Min** reported.

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June 13

The Tokyo **Nichi Nichi** pointed out that the United States is bringing pressure to bear on French Indo-China to place an embargo on rubber and oil exports to Japan with the pretext that this action is directed against the Axis.

The U. S., it was revealed, is at present taking 90 percent of the total tin production of China, Malaya, and French Indo-China.

That the Chinese Communists have been giving the Japanese difficulties was admitted by retired Major-General Yahei Oba in the Tokyo **Nichi-Nichi** when he stated that "they come if we retreat, and withdraw when we advance. They are like flies."

Reviewing Japanese naval activities during the period June 1 to June 10, the Press Section of the Japanese China Seas Fleet announced that Japanese naval units had struck devastating blows against the Chungking troops and military objectives extending from North China to South China and far into the interior, succeeded in destroying the suspension bridge over the Pepan River, thus cutting off another Chungking supply route between Kweiyang and Chengtu, according to a **Domei** report.

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June 14

Wang Ching-wei, head of the Nanking Government, left Shanghai for Tokyo aboard the s.s. Yawata Mura with 10 minsters and high officials of his government, including Chow Fu-hai, Minister of Finance and concurrently Vice-President of the Executive Yuan. Although the real purpose of his visit is shrouded in close secrecy, it was generally believed Wang is seeking more Japanese support to his regime through parleys with Prince Konoye, Japanese Premier, and Mr. Matsuoka, Japanese Foreign Minister.

With the Chinese staging a "whole front" counter-attack, severe fighting is raging in western Suiyuan. A detachment of loyal Mongolian mounted troops reached the northwestern suburbs of Paotow, and gained control of the Anpei-Paotow highway. A section of the Peiping-Suiyuan railway, east of Paotow has been cut by General Fu's "Flying Horsemen," **Kuo Min** reported.

Further extension of Japanese Navy's "peaceful blockade" of the China coast for a distance of 190 kilometers to the north and south of Swatow, in Kwangtung Province, including the bays of Haimun Hope, Chelin, Chaoan, Tongsan, and Hutau, is announced by Admiral Shigetaro Shimada, Commander-in-Chief of the Japanese China Seas Fleet.

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Who's Who in China

Tsao Pechuan, educator and former government official; born at Chuansha, Kiangsu, 1892; B.A., Oberlin College, U.S.A.; instructor in English, Shanghai Pootung Academy, 1919; professor and proctor at the Conservancy Engineering College in Nanking, 1920-21; foreign secretary, Chinese General Chamber of

Pechuan Tsao (Tsao Pai-chuan)

曹伯權

Commerce in Shanghai and concurrently manager of the **Commerce Monthly** published by the Chamber, 1921-22; dean, Kiangsu College of Commerce, Shanghai, 1923-27; assistant manager, China Export Co., Ltd., Shanghai, 1922-25; dean, Chinese Vocational School, Shanghai, 1922-27; principal, Chinese Commercial School, Shanghai, 1924-25; director, Nanching Middle School in Kiangyin, Ai Kuo Girls' School and Chinese Y.M.C.A. Middle School in Shanghai; section chief, Bureau of Education, Shanghai Municipal Government, 1928-29; Chief of Revenue Section, Office of the Superintendent of Customs, Hankow, 1929; inspector of the Administrative Council, National Central University District, Nanking, 1929; section chief, Bureau of Education, Nanking Municipal Government, 1928-29; magistrate of Chinhai, Chekiang, 1930-31; dean, Nanking Middle School, 1932: member of the Preparatory Committee of the National Economic Council, Nanking, 1932-33; chief secretary, Reconstruction Department, Kiangsu Provincial Government, 1933-34; magistrate of Kaoyu, Kiangsu, 1934-37; magistrate of Sungkiang, 1937; manager, the Ta Hua Trading Company, Kunming, 1938-39; now chief secretary, Chinese Industrial Service Association, Hongkong; address: 5th Floor, 10 Ice House Street, Hongkong.

Men and Events

John Alexander, British Press Attache, returned to Shanghai this week from a trip to Hongkong, Singapore and Chungking.

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The Japanese War Office announced the appointments of Lieut.-Col. Mitsugi Nakamura as Assistant Military Attache in London and Lieut.-Col. Muraji Yano, as Assistant Military Attache in Washington.

*

More than 100 persons were killed and injured at Patung on the Szechuen-Hupeh border on June 19 when the boiler of the Minfeng, a passenger ship, exploded. The ship caught fire and sank.

*

Robert Bellaire, formerly manager of the local office of **United Press**, who went to the United States on leave several months ago, has returned to Japan where he is now in charge of the **U. P.** service.

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The Island Mail, new 9,600-ton freighter, was launched at Chester, Pennsylvania, shipbuilding yards on June 22. When completed in August the ship will be delivered to the American Mail Line for operating from the Puget Sound district to the Far East.

*

Richard P. Butrick, Counsellor of Embassy, stationed in Peiping, who accompanied Ambassador C. E. Gauss to Chungking, returned to Shanghai this week and will proceed to Peiping shortly.

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Four Chinese cotton spinning and weaving companies, the Yu Hua, Yu Feng, Shun Hsin and Shah Shih, have opened branch factories in Szechuen Province, according to **Kuomin** report from Chungking on June 22.

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The Chinese Native Goods Association at Hongkong has sent a petition to Chungking urging the Government to appoint Commercial Attaches to Australia and the South Seas in order to assist Chinese merchants in developing their trade in those regions.

*

A Japanese company headed by Masahachi Sugimura has announced plans for opening a Japanese-owned movie house in the Nantao section of Shanghai adjoining the French Concession. The new theater will have a seating capacity of 800 persons and will be located on Pinglai Road.

*

The Greek Minister in Moscow, Mr. Opulos, whose diplomatic activities were discontinued by order of the Soviet authorities, following the Nazi occupation of Greece, departed from the Soviet capital on June 20, with all Greek personnel in the Legation. They will proceed to the United States by way of the Far East.

*

Archie Harris, American Negro athlete, who is a student at the University of Indiana, broke the world's record in hurling the discus in an athletic meet at Palo Alto, California on June 21. Harris threw the discus 174 feet 8¾ inches, which was six inches better than the previous record held by the German athlete, Schoeder.

*

Yu Ya-ching, well known industrialist and shipping magnate of Shanghai, who is now in Hongkong, following an extensive trip to west and northwest China, announced on June 11 the formation of a Shensi Development Corporation which will foster the development of natural resources, including coal, iron, cotton and wool. Much of the capital will be supplied by Chinese residents of Hongkong.

A Domei report from Hongkong on June 20 alleged that the Chungking authorities had refused to permit the showing in that city of Chaplin's famous film "The Dictator." The action had been taken because of objections to the film which had been made by the German diplomatic authorities. The Japanese report alleged that Chungking frequently displayed anti-Japanese films, it never had permitted the showing of anti-German films.

*

Sujan Singh Smart, who is only 22 years old, has been appointed Publicity Secretary of the Indian National Association of China, and in addition will serve as Manager of the World Federation Center for North China and Secretary of the Khalsa Diwan organization of Shanghai. He also is active in sports and is Captain of the Khalsa Sporting Association. Mr. Smart received his education at the Thomas Hanbury School for Boys in Shanghai.

*

The Nanking Government recently donated a rare thousand-handed Goddess of Mercy—Kannon—to the Nissenji Temple at Nagoya, Japan. Among those present at the temple to receive the image were Dr. Chu Min-yi, brother-in-law of Wang Ching-wei, who is Nanking Ambassador in Japan; and Dr. Kumataro Honda, Japanese Ambassador to Nanking, who is now in Japan on leave. The report stated that more than 1,000 Japanese Buddhists were present.

*

Friends of the late W. W. Lockwood, well known Y.M.C.A. executive, have donated the sum of $12,000—toward a $20,000 fund—for the construction of a Lockwood Memorial Chapel on the third floor of the Chinese Y. M. C. A. building on Rue Montigny, French Concession. Those in charge of the campaign are N. L. Han, chairman of the memorial committee, K. Z. Loh, secretary to the Board and J. C. Oliver, acting general secretary.

The Japanese military authorities in Peiping on June 21 held a memorial service for the late Major Prince Nagahisa Kitashirakawa and other officers and men, killed in action in north China battles between April 1, 1940 and May 31 of this year. Lieut.-General Hayao Tada, Commander-in-Chief of Japanese Forces in north China, attended the function.

*

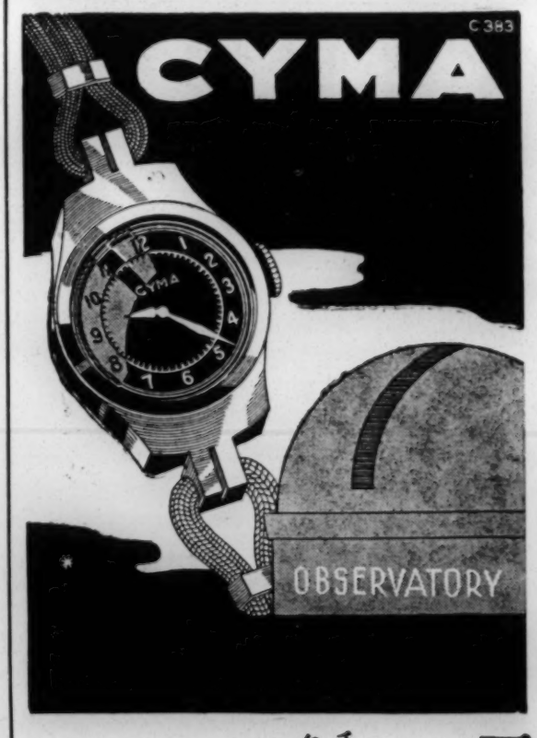
The Japanese newspaper **Shanghai Nippo** stated this week that the Japanese Residents Corporation in Nanking had appropriated the sum of Y30,000 for the purpose of purchasing land for a small park in the Sinchiakow area of the city. The park will be laid out in Japanese fashion with a fountain in the center surrounded by flower beds.

*

President Franklin D. Roosevelt, on June 21, signed a bill which empowers the Chief Executive to control the entry and departure from the United States of all aliens as well as citizens of the United States. The President is empowered to prescribe rules governing the movements of all persons across the frontiers of the United States. Stephen Early, Secretary to the President, stated that the bill was intended to strengthen the machinery for controlling espionage and subversive activities.

*

Dr. Wang Chung-hui, retiring Minister of Foreigh Affairs, who has been appointed Secretary-General of the Supreme National Defense Council, gave a farewell dinner to the entire staff of the Ministry on June 20. In an address, Dr. Wang said that China, in the first stage of her resistance, had fought single-handed. In the next stage, China won the sympathy of the friendly powers. Now, in the third and final stage, China has won the active aid of friendly powers. He said that ultimate victory was now in sight.



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Carl Randau, correspondent for PM, well known newspaper in New York, arrived in Shanghai last week and plans to remain here for some time. He is accompanied by Mrs. Randau. Mr. Randau has been connected with New York and Washington papers for many years.

•

The Germans will shortly open a new consulate at Macao, ancient Portuguese port near Hongkong, according to report from Hongkong last week. The report stated that the Consulate will be staffed entirely by Germans and will be concerned primarily with the dissemination of Nazi propaganda in South China.

•

The Central Police Bureau in Peiping, which is controlled by the Japanese Army, has ordered all foreigners in Peiping to register with the Bureau. Foreigners also have been told to report all arrivals and departures or changes of addresses on the part of members of families. The report stated that any foreigner refusing to comply will be subjected to penalties specified in the new regulation.

•

Soviet archaeologists reported **(Tass)** the discovery in the Khakass region, near Abakan, capital of Khakassia, on the bank of the Yenissei River, of numerous relics of ancient Chinese culture. The articles found consisted of tiles containing inscriptions referring to an ancient ruler of China and his wife who were members of the Han Dynasty. The leader of the Soviet expedition was named Evtyukhova.

•

The Japanese held a memorial service in Tokyo on June 11 in honor of J. W. T. Mason, well known **United Press** correspondent, who resided in Japan for many years while making a special study of Shintoism, on which he became an authority. The memorial service was attended by more than 100 friends of the deceased journalist, including a representative of Yosuke Matsuoka, Foreign Minister.

•

More than 400 Chinese students received degrees at the Commencement Schools in Shanghai on June 20. The exercises of four Baptist Union Middle schools were Eliza Yates' Girls' School, Ming Yang Academy, Wei Ling Academy and Yates Academy. The commencement address was delivered by Prof. T. K. Van, President of the University of Shanghai. Miss M. I. Ing, Principal of Eliza Yates Girls' School, presided at the exercises. The Eliza Yates school will move into its new building at Seymour and Bubbling Well Roads next fall.

•

The new war situation in Europe has put an end to numerous "axis" sports events which had been scheduled for Japanese participation in the coming summer, fall and winter. Among the events which already have been cancelled was a Berlin-Italo-Japanese tennis tournament, scheduled for July 18, and numerous other meets including competitions in boxing, swimming, hockey, and skiing. Two Japanese tennis stars, who had already departed for Berlin on June 21, were headed off in Manchuria. All Japanese sports' meets with students in the Philippines also have been cancelled.

•

Carl Mydans, photographer for the magazine **Life**, and his wife Shelly Smith, connected with the same journal, who have been in Chungking for some time, departed by plane from that city for Lanchow, capital of Kansu province. They will then proceed to Paoki and Sian, center of the industrial cooperatives. Melville Jacoby, correspondent for **Life** and **Time** who also has been in Chungking, accompanied Mr. and Mrs. Mydans on the trip. Mr. and Mrs. Mydans also were in Singapore recently.

According to a **Domei** report this week there is such demand for Japanese nurses—presumably because of guerilla activity on the part of the Chinese forces and mopping-up expeditions on the part of the Japanese forces—that six Japanese nurses associations here have experienced difficulty in meeting the demand. The six associations here have 70 registered nurses and 300 apprentices.

•

The Ministry of Judicial Administration at Chungking has formulated measures for the relief of unemployed lawyers, most of whom reside in Shanghai. Members of the Shanghai Bar Association, who are unable to practice law because of the Japanese military occupation of Shanghai's environs, will be provided transportation in order to enable them to proceed to Chungking. Members of the Association who are unable to depart from Shanghai and are unable to obtain work of any kind will be given a grant of $200 monthly.

•

The American Red Cross is planning to send 40,000 bags of cracked wheat and rice to China in the near future in addition to large quantities of drugs and surgical dressings, which will be sent to Shanghai, Hongkong, and Free China, it was learned this week. Also to be shipped to Shanghai are 30,000 pounds of powdered whole milk, which is valued between US$10,000 and US$12,000. This powder, which will be distributed to Chinese children here, will make approximately 300,000 eight-ounce glasses of milk. However, it was reported in Shanghai that the recent requisitioning of American vessels by the U.S. Maritime Commission may curtail future shipments of American Red Cross supplies to China.

•

A report from San Francisco this week stated that the U. S. Navy may take steps to bring the big Bethlehem shipyard into full operation. Machinists have been on strike since May 10 almost completely deadlocking work and holding up US$300,000,000 worth of contracts on 29 U. S. Navy ships. The striking machinists also have tied up 10 other shipyards and drydocks in the San Francisco Bay area. The President of the Machinists' Union, Harvey Brown, issued an ultimatum to the men to return to work, and when it was rejected, he immediately conferred with Admiral Greenslade, Commander of the naval district. Whether or not the Navy would intervene as the Army had done in connection with an airplane plant in the Los Angeles district, was not known.

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The Columbia Country Club and the American Club have issued announcements regarding the annual observance of the American national holiday, July 4. The Columbia Country Club will have a buffet dinner with dancing, while the American Club will hold its usual reception for members and guests. The reception will be for male members only.

*

According to **Domei** report from Manila the Philippine authorities have banned the sale of an edition of Amleto Vespa's book. "Secret Agent of Japan," which had been published in the Tagalog, or leading Filipino dialect. The book previously had been circulated in the Japanese and English languages. Mr. Vespa, an Italian, previously served as an adviser to the Japanese military administration in Manchuria, but resigned because of his disapproval of Japanese atrocities. The book was widely circulated in the United States and Great Britain, but was banned by the Japanese in Japanese-occupied areas of China.

*

The Soviet authorities on June 20 reported further important discoveries in connection with the opening of the recently discovered grave of Tamerlane in the Samarkand district of Central Asia. The coffin contained a skeleton with the right leg shorter than the left, which was thought to prove that the grave actually was that of the great "earth shaker." The grave was covered with a heavy marble tombstone, which was removed, disclosing five unpolished stones covering the actual coffin which had been constructed of wood. The coffin was covered with a blackened brocade containing beautiful ornaments and inscriptions, many parts of which were said to be well preserved. The **Tass** report from Samarkand stated that the skull was badly decayed because of water which had seeped into the sarcophagus.

The Tokyo War Office announced on June 20 that Lieut.-General Yoshio Shinozuka had been appointed member of the Supreme War Council and concurrently President of the Military Academy in succession to Gen. Kenji Doihara, who recently was appointed inspector-general of military aviation. Gen. Doiahara was previously connected with the Kwantung Army in Manchuria and generally was regarded as the officer who plotted and carried out the occupation of Mukden in the fall 1931, which precipitated the Japanese occupation of the Manchurian provinces.

*

The Japanese population at Shanghai continues to increase at a phenomenal rate, according to census figures published by the Japanese newspapers, the latest being a report in the **Tairiku Shimpo**, which was based on statistics compiled by the Japanese Naval Office. This report stated the Japanese have 86,842 people in the Hongkew area. Another report in the **Shanghai Mainichi** said that 144 Japanese babies were born in Hongkew in May, while the number of Japanese who died was 75, thus giving the new arrivals a net lead of 69, according to the report.

*

Generalissimo Chiang Kai-shek recommended the following "ten commandments" for increasing the efficiency of Chungking officialdom:

1. Absolute obedience to superiors.
2. Elimination of corruption.
3. All uniforms worn must be made of cotton.
4. No public entertainment or banquets unless absolutely necessary.
5. No official badges to be worn when entering amusement resorts.
6. No official stationery to be used for private correspondence.
7. Sleep early, rise early.
8. Absolute prohibition of gambling.
9. No smoking, no drinking.
10. Thrifty life.

Anthony Eden, British Foreign Secretary, paid a high tribute to the service performed by Sir Frederick Maze, Inspector-General of the Chinese Maritime Customs, at a session of the House of Commons on June 19. Mr. Eden said that Sir Frederick Maze continued to administer the Chinese Customs service throughout the country, including the Marine Department, despite the fact that much of the area is within the Japanese occupied zone. Major-General Sir Alfred William Fortescue Knox, member of the House, declared that Sir Frederick Maze "was putting up a single-handed fight for British interests in Far East" and in consequence he should receive every assistance from the Foreign Secretary. Mr. Eden said that he joined in paying warmest tribute to the work which Sir Frederick Maze is doing. Sir Frederick Maze has served continuously as Inspector-General of the Chinese Customs Service since 1927.

*

Large numbers of Japanese newspapers and periodicals have been detained in the San Francisco post office, according to a report in the Tokyo **Nichi Nichi** from its correspondent in New York June 14. The article stated that complaints lodged by the Japanese authorities had been answered by the U.S. postal authorities with the statement that the mail detained or destroyed "consisted of propaganda material." The **Nichi Nichi** inquired editorially whether the U.S. postal authorities regarded all Tokyo newspapers as "propaganda material" because no Tokyo papers had reached New York since April 20. An earlier report said that the San Francisco postal authorities had destroyed 17 tons of propaganda material which had accumulated in the San Francisco post office in recent months. Most of the material originated in Japan, with smaller amounts from Russia and Germany. Although not mentioned in the report, it was rumored that the U.S. action is being taken in retaliation for interference with American mail in the Orient, particularly in Shanghai and in occupied areas in China where American newspapers and magazines have been confiscated and U.S. mail censored.

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New Books of Interest in the Far East

A Purblind Parson

THE SOVIET POWER—By the Very Rev. Hewlett Johnson, Dean of Canterbury. Modern Age Books, New York, 1940.

The author of this pseudo-authoritative work on Soviet Russia is a typical "leftist" British intellectual of the "Left Book Club" class, whose naive wistfulness makes him see reality in the light of his idealistic hopes. He paints a gruesome picture of the capitalist world where wars and economic inequality play havoc with men, and, we must admit, in this part his work is thoroughly persuasive. It is only when he shifts to description of the Soviet Russian experiment in socialism and sees in it, without any drawbacks, the fulfilment of the most sacred dream of men of all ages, that we feel that he is unconvincing and that his conclusions lack profundity of insight.

It is a great pity. Pity for the author who, no doubt, is sincere in his thinking and clear in speaking out what he thinks. Pity also for the reader who opens this recent work on Soviet Russia with curiosity and hopes to find in it at least something new about Sovietland, that enigmatic land of fears and hopes, of dreams and curses.

The Dean of Canterbury, born of a prosperous middle class family, engineer by education and training, apprenticed in a Manchester engineering factory, chose the vocation of missionary engineer in his desire to serve humanity and the cause of social justice with which he early fell in love. He served 19 years as a parish priest, watched from his pulpit the old world going to pieces after four years of bloody struggle and then, hearing of the revolution in Russia, sighed with relief: "Ah, here at last comes the fulfilment of his most precious dreams, here dawns the new history for humanity, God's promised Kingdom on Earth." Being won over, by the Russian Revolution from the very beginning, the Dean remains its devoted friend throughout the years. He watches with deep interest the development of social experiment in Soviet Russia, publishes books advocating friendship between England and Russia and even makes trips to Sovietland which only enhance his enthusiasm for its achievements. But if one believes the Communist maxim that consciousness is the product of one's environment, it would seem that the bourgeois background and environment of the author preclude any correct appraisal and understanding of events and developments in Russia.

Simultaneously with the publication of the book under review we had another book on Soviet Russia, also written by a British author. I refer to Freda Utley's "The Dream We Lost." It is startling to compare the observations and conclusions of the two authors.

Freda Utley comes from the same world as the Dean of Canterbury. She is not a scion of the nobility, but neither is she a worker embittered by the struggle for existence. In her own words, she is (in Stalinist phraseology) "a petty bourgeois intellectual," but her life story differs greatly from that of the Dean of Canterbury. Since early youth she dedicated her life to one single purpose, Communism. She speaks of it in the following words:—

> "I came to communism via Greek history, the French revolutionary literature I had read in childhood, and the English nineteenth-century poets of freedom; not as a revolté against a strict bourgeois upbringing, nor on account of failure to make a place for myself in capitalist society, but profoundly influenced by a happy childhood, a socialist father, and a Continental education."

At college she began to take an active part in the socialist movement. She joined the Independent Labor Party and from the beginning became a defender of the Russian Revolution. In 1927 she was invited to visit the Soviet Union as representative of all the Labor and Socialist clubs in British universities and then wrote:

> "My excitement at the coming trip to the Land of Promise knew no bounds. I felt I must join the Communist party. I could not live without feeling I am doing worth-while work. I thought the communist thesis is right." (p. 14)

In 1930 she came again to Russia, this time with a view to settling permanently there, and stayed until 1936. Her experiences and observations can best be summarized by the title of her book "The Dream We Lost." Freda Utley lived and worked for the fulfilment of her dream, she gave it the best years of her life, only to realize later on that it was but a dream. And therefore one has more respect for her opinions and more faith in what she says than in the Dean of Canterbury's unbounded exaltation, based, as he says, on incontrovertible facts and data.

For curiosity's sake let us compare some of their statements.

Says The Dean of Canterbury: "The vast moral achievements of the Soviet Union are in no small measure due to the removal of fear. Fear haunts workers in a capitalist land. Nothing strikes the visitor to the Soviet Union more forcibly than the absence of fear."

Says Freda Utley: "Friendship is a very precious thing in an uncertain, savage, and strange world, where everyone's hand is against his neighbor, and fear and the struggle for bare subsistence drive even decent men and women to spy upon one another and denounce one another."

Says the Dean of Canterbury: "Naturally the new order lies open to criticism in a hundred minor points. But the major achievements of the past twenty-two years are so great, and the progress during the past six years, when at last the regime has been completely socialized, is so colossal, that no longer can the outer world afford to ignore what is happening. Evils which in other lands frustrate science and make a mock of Christian morality melt away as the new socialist civilization of the East replaces the plutocratic order and dominance of the West.

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Shanghai, China.
June 7th, 1941.

perty of the people as a whole. The economic and social life of the country is planned in the public interest. Complete equality enables citizens, irrespective of their race or nationality, to participate in governing the State according to their ability."

Says Freda Utley: "The food position in Moscow that winter of 1931-32 was far worse than the winter before. Many of our acquaintances were half starving and were grateful for the gift of a pound of cereal from my rations.

"Starving children are the most pitiful sight on earth. There were enough of them in Moscow to make one's heart ache, but in the Ukraine they were legion. "Totia dai Kleb, Totia, dai Kleb" (Auntie, give bread) will always ring in my ears as the national song of 'socialist Russia'.

"As in China, so in Russia, one hardened oneself to the sight of suffering in order to live. But at least in China the government does not hold it a crime to give aid to the starving. In Russia it tells you that the starving are Kulaks or counter-revolutionists not to be aided, whereas in reality they are bewildered, ignorant, powerless wretches sacrificed to the insensate ambitions and fanaticism of a man and a party.

"It was the contrasts which were always so appalling. The fat officials in the dining car, the well-fed callous O.G.P.U. guards, and the starving people. We and they, we and they, rulers and ruled, oppressors and oppressed."

Says the Dean of Canterbury: "What impressed me most in Soviet Russia was not her factories and material statistics, but her children.

"It was no happy moment, for an Englishman, on returning to London, to contrast the physical, mental, or spiritual opportunities of English children with those of the Soviet Union. I hardly recall, during a journey through five Soviet Republics and several great Soviet towns, having seen a really hungry or undernourished child.

Says Freda Utley: "Equality of opportunity in the Soviet Union is a myth. There are different schools for the masses and for the aristocracy, and in any case there can be no equality in educational opportunity where some children are undernourished and housed little better than pigs, while others live in comparative luxury."

Any other comment seems superfluous.

A. G.

Through a Woman's Eyes

DAWN WATCH IN CHINA—By Joy Homer. Published by Houghton, Mifflin Company, Boston, Mass., 1941. Price U.S.$3.00.

Joy Homer describes graphically her varied experiences while journeying through both Free China and Japanese-occupied territory during the present hostilities. Sent to China in the fall of 1938 as a reporter for the United American Relief Boards, she saw first-hand the devastation wrought by famine, flood and war, the suffering and the tragedy of it, on her journeys through all but three of China's provinces. As she traveled mile by mile, on foot, donkey, truck or train, or by sampan, plane or junk, Miss Homer was awakened to the great migration to the undeveloped west, the new idealism which seized China after she became united against a common enemy, the vast reconstruction plans, the successful industrial co-operatives, and, most admiarble of all, the courage of the Chinese nation, their quiet determination and their new-found patriotism.

She relates in a frank manner her vivid impressions of the things she saw while in the Chinese front lines, behind the Japanese lines with the guerillas, in fever-stricken areas, when a target for Japanese machine-gun fire, driving a supply truck over a thousand miles into the Northwest, helping with first-aid and relief work after air raids and during the Tientsin flood, and interviewing some of China's warlords as soon as she had mastered enough of the language to do so.

Her descriptions of the air raids and the way they are taken by the people, who stoically return again and again to rebuild their homes and streets and, in some cases, their whole city, with no more than their inherent optimism and genuine sense of humor, are tragically realistic.

Daughter of Sidney and Louise Homer, and only twenty-three when she came to China, the author makes light of her own hardships, strange experiences and narrow escapes from death, and unintentionally reveals her modesty, courage and understanding of all kinds of people.

Throughout the book one is aware of the Chinese nationalism which is slowly but surely growing out of the chaos and suffering, a sincere desire of the Chinese to fight for their country, and fresh enthusiasm and hope for the social reforms which have already begun to find concrete expression in the schools and universities and homes for warphans; mass education for the working class; farmers' credit societies which are formed with government loans as part of an agricultural movement, and the New Life Movement inaugurated by Madame Chiang Kai-shek, which was teaching them western methods of sanitation and good health, improved farming, etc.

In reading "Dawn Watch in China", one feels that the slow trek of manpower, machinery, hope and ideas to the West, is like the ebb of a wave drawing back, steadily gaining momentum for the moment when it will flow forward again.

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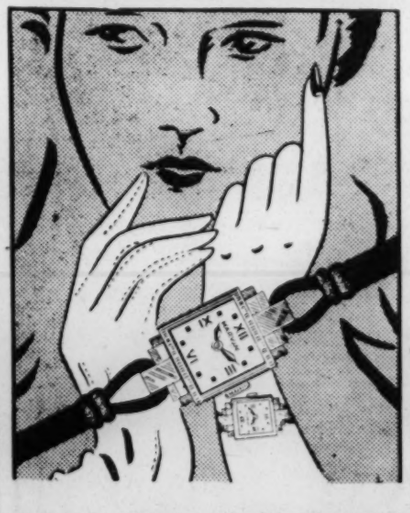

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